



SALDANHABAY
INDUSTRIAL DEVELOPMENT ZONE

Saldanha Bay IDZ Licencing Company (SOC) Limited



2016/17

ANNUAL PERFORMANCE PLAN

SERVICING THE NEEDS OF AFRICA'S UPSTREAM OIL AND GAS SECTOR

FOREWORD

The SBIDZ is a strategic government initiative, linked to the broader strategic framework of the South African Government, driven by the National Development Plan (NDP) and the National Growth Path (NGP). The SBIDZ is thus a delivery mechanism for South Africa's goals of sustainable economic development and job creation in the localised economy, diversification and transformation of a historically under-developed and under-supported economic sector, and broadening of the regional and national economic base, thereby building in robustness to South Africa's economic base.

It aims to achieve this by utilising existing enabling legislation from the dti and SARS, and the active support of key programmes such as the PICC and Operation Phakisa, and in partnership with Transnet and many other SOCs, agencies and departments.

In addition, the SBIDZ links to both provincial and local economic development policies and strategies within the Western Cape, including the Western Cape Strategic Plan, the West Coast District Municipality and the Saldanha Bay Municipality (SBM) Integrated Development Plans.

It is within this broader strategic context, that the SBIDZ was designated in October 2013, in line with the Manufacturing Development Act (MDA), Act 87 of 1993 and relevant IDZ Guidelines, with the SBIDZ Licencing Company (LiCo) (a registered subsidiary of the Schedule 3C Entity Wesgro, the Western Cape Destination Marketing, Investment and Trade Promotion Agency) being gazetted as the Operator of the SBIDZ.

This designation came about after extensive pre-feasibility and feasibility research and analysis of the Saldanha Bay area as a hub for the sustainable growth and development of the West Coast region, including a focus on relevant economic, environmental and social issues that would impact on the development of the SBIDZ. Relevant details from this research and analysis are included in this summary document.

In addition, the SBIDZ is governed by the Special Economic Zone (SEZ) Bill (2013), and is linking to Operation Phakisa as an enabling mechanism to provide favourable conditions for facilitating economic development and job creation in South Africa, particularly in its strategic relationship with Transnet Ports Authority (TNPA); as well as to the Western Cape Government (WCG) Operation Khulisa in support of skills development initiatives in the Western Cape; specifically, on the West Coast.

The SBIDZ Strategic Plan focuses on strategic outcomes and goals for the SBIDZ as a whole, within the broader national and provincial strategic context, and is a guideline for the first 5 years in the longer 20-25 year plan for successful development of the specialised SBIDZ.

This strategic Plan covers the period FY2015/16-2019/20, with the current FY2016/17 Annual Performance Plan being the second year in the five year period.

OFFICIAL SIGN-OFF

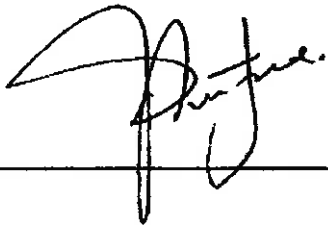
It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Saldanha Bay IDZ LiCo, under the guidance of Minister Alan Winde, MEC for Agriculture, Economic Development and Tourism.
- Was prepared in line with the current Strategic Plan of the Saldanha Bay IDZ LiCo.
- Accurately reflects the performance targets, which the SBIDZ LiCo will endeavour to achieve, given the resources made available in the budget for 2016/2017.

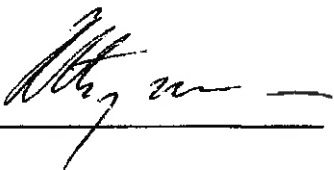
Herman Boneschans
Chief Financial Officer

Signature: 


Douglas Southgate
Chief Executive Officer (Acting)

Signature 

Johann Stegmann
Chairperson: Accounting Authority

Signature: 

Approved by:
Minister Alan Winde
Executive Authority

Signature: 

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PART A: STRATEGIC OVERVIEW

1 Vision

To create an enabling environment to promote sustainable economic growth and job creation.

2 Mission

To make use of the enabling legislation to attract foreign and domestic investment, initially through four key levers that support the development of the Oil & Gas, Marine Repair and Fabrication cluster:

- Ease of doing business
- Develop a competitive environment
- Infrastructure support
- Freezone and customs efficiency and reduce administrative processes

3 Values

The SBIDZ will implement its mandate with a focus on the following values:

- Customer Focus
- Going the Extra Mile
- Accountability
- Sound Decision Making and Judgement
- Self-Development

4 Revisions to Legislative and Other Mandates

The SBIDZ is a component of the "Industrial Promotion" functional area of concurrent national and provincial legislative competence, as indicated in Schedule 4 of the Constitution of the Republic of South Africa, 108 of 1996.

National:

The IDZ programme was gazetted in 1999 as an incentive programme under the Manufacturing Development Act (no. 187 of 1993). The regulations for the IDZ programme were promulgated in 2000, published under regulation gazette number 1224 of 1 December 2000, as amended by government notice number R1065, published in the Government gazette number 29320 of 27 October 2006. The overall regulatory framework for the IDZ programme comprises of the following legislation:

- The Manufacturing Development Act (MDA), Act 87 of 1993 as amended.
- The IDZ Regulations and subsequent amendments, including any imminent adoption of the Special Economic Zones Bill of 2013
- Section 21A of the Customs and Excise Act, and relevant provisions of the Value Added Tax.
- Report No. 14 promulgated by the International Trade Administration Commission in accordance with the Customs and Excise Act.

In addition to the legislative mandates, the SBIDZ is linked to broader national strategies and policies, including:

- The National Development Plan and National Infrastructure Plan
- The Presidential Infrastructure Coordinating Commission (PICC) Rollout Programme
- The Industrial Policy Action Plan
- Medium Term Strategic Framework of 2014-2019
- Operation Phakisa
- Project Khulisa
- National Infrastructure Plan (SIP5)

Provincial:

The SBIDZ, in line with the IDZ Regulations is operated by the SBIDZ Licencing Company (LiCo) as designated in the Government Gazette No. 36988 of 2013, and is a jointly funded and supported by the National Department of Trade and Industry and the Western Cape Provincial Department of Economic Development and Tourism.

The SBIDZ LiCo is a Schedule 3C Public Entity, making it further subject to the following legislative mandates:

- Public Finance Management Act of 1999
- Companies Act 2008
- SEZ Act No.16 2014

In addition, by virtue of the provincial Department of Economic Development and Tourism being the overseeing governing body, the SBIDZ is linked to broader provincial strategies and policies, including The Western Cape Infrastructure Framework.

Specifically, the SBIDZ links to Project Khulisa, which falls under the Provincial Strategic Goal 1, focusing on job creation and opportunities to help improve the province's economy.

The SBIDZ has furthermore been brought on board the DLG's Infrastructure and Growth Plan working group for the municipality of Saldanha Bay and the DEADP's SBM IDP Support Group.

Based on the above frameworks, the LiCo is responsible for implementing the Strategic Plan for the Saldanha Bay IDZ within the Medium Term Strategic Framework of 2014-2019, supported by the National IDZ/SEZ strategy and Western Cape Provincial Infrastructure strategic planning.

5 Updated Situational Analysis

Saldanha Bay has for a long time been acknowledged as an important resource for the sustainable growth and development of the West Coast region. The Western Cape Government's Department of Economic Development and Tourism (DEDAT), through Wesgro, embarked on a Pre-Feasibility Study to identify and assess the opportunities available in the industrial and business market and ascertain whether there are any binding constraints to establishing an IDZ programme at Saldanha Bay.

The key focus of the programme, would be to use the IDZ as a vehicle to promote economic development and job creation within the Saldanha Bay Municipal Area and surrounds, for the sustainable growth and development of the West Coast region.

To contextualise the vision, mission and strategic goals and objectives of the SBIDZ within its initial focus of developing an Oil & Gas, Marine Repair & Fabrication Cluster, it is crucial to understand where such an entity's strengths and weaknesses may reside, what threats it may face, and overall, what the opportunities are. The SWOT analysis in Figure 1 provides an overview of the current strengths, weaknesses, threats and opportunities.

Figure 1: SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Deepest natural port in South Africa and possible to accommodate vessels with draft up to 21.5 m, specifically the new generation and DP rigs • Greenfield land available for development (capacity and plans for expansion of port and back-of-port) • Relative geographical proximity to regional Oil & Gas markets in Sub Saharan Africa • Cape of Good hope: ideally positioned to service passing units • Excellent ease of doing business relative to other African countries • Strong private sector investor interest in servicing the end-market • Strong industrial capabilities and logistics relative to other African ports • Strong supporting industries and regional linkages, including strong logistics network • Human capital – strong recruitment and training potential of South Africa when compared to neighboring countries • Quality lifestyle in South Africa and the Western Cape province • Good Broadband Infrastructure • Prioritised under Operation Phakisa for new, dedicated infrastructure to support the O&G sector 	<p>Weakness</p> <ul style="list-style-type: none"> • Long lead time of projects due to budgetary issues and complexities surrounding land allocation • South Africa currently has limited experience in off-shore oil and gas activities (but not less so than other African countries) • Limited qualified and skilled labor that meets specific standards within the Oil & Gas, Marine Repair & Fabrication cluster • Underdeveloped physical infrastructure: dedicated quays, docking facilities, utilities • High port tariffs • Difficulty in arranging visas for foreign workers • Environmentally sensitive area • Vague and limited financial/fiscal incentives • Perceived complacency and Bureaucracy
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Threats	Opportunities
<ul style="list-style-type: none"> • Implementing a functional free port under existing customs legislation is proving more difficult than we thought • Delays in leasing negotiations means a delay in investors setting up • Neighbouring countries developing or already having a basic off-shore supply base and marine repair facilities • Walvis Bay in Namibia • Luanda expecting an investment of \$350.0 million for infrastructure upgrades • One Port in Nigeria is a free export zone • Tema and Takoradi ports are undergoing upgrades to accommodate the oil and gas industry • East Africa's oil and gas development could lead to a development of a supply hub for the industry • Centers of excellence in the Far East, Middle East, Europe and Americas (especially relevant to fabrication) • The decline and instability in the oil price has led to changes in the market which may delay investment • Infrastructure has to be developed under risk • Increasing concern from investors on the level of corruption in South Africa 	<ul style="list-style-type: none"> • Develop Saldanha Bay into a state of the art off-shore supply hub servicing the upstream off-shore Oil & Gas and Marine Repair & Fabrication industry in Sub Saharan Africa • Service a highly lucrative market through the existing infrastructure base in South Africa • Profitability and viability of projects and IDZ • Stimulate regional and national economic activity • Increase local employment through skills development and skills transfer initiatives • Strengthen South Africa's industrial Capabilities <ul style="list-style-type: none"> • The oil price has delayed infrastructure projects in Sub-Saharan Africa which gives Saldanha Bay a window of opportunity

The following key considerations were relevant in scoping the strategic direction and focus of the SBIDZ to date:

African Market Linkages

Most of the rig repair companies in South Africa have predicted a rough year ahead for rig fleet repairs, however there are other opportunities in jack-ups, workboats, tender barges, pipe-laying vessels, accommodation units, DSVs and seismic survey vessels.

The floating rig fleet in Africa still has 35 operational drilling vessels, and with new order books (such as Transocean's 55 new drilling vessels coming online in the next two years) there are a number of future (5yrs) opportunities for the SBIDZ to develop infrastructure.

The ports in South Africa that service vessels currently include Cape Town (A-berth), Port of Ngqura and Saldanha Bay. Of the current drilling vessels in Africa, A-berth can only service 18% (or 7 rigs) while Coega can service 82% (or 29 rigs) and Saldanha Bay can service 100% of the market.

The SBIDZ will focus on the development of defined target markets in the Oil and Gas and Marine Repair & Fabrication industries, and is expected to become a state of the art facility where wet and dry work on mobile drilling units such as semi-submersible oil rigs and other vessels can be done; as well as the fabrication of key industry related products, such as subsea manifolds, onshore modules, structured and hulls for semi-submersible and jack-up rigs.

Currently, within the African market, components of the Marine Repair industry are spread between various African countries such as Namibia, Ghana and Mozambique, and bunkering activities take place in Nigeria and Gabon, with oil terminals in Mozambique and Tanzania. The SBIDZ will be unique, by become a centralised provider of bulk parts and services, with a coordinated supply chain contribution that will fill a specific role within the industry.

International Market Linkages

The SBIDZ hub is modelled on key international competitors and contributors to the Oil and Gas and Marine Repair & Fabrication industries, specifically Singapore and Norway.

Apart from the market demand created within the African market, there is also increasing demand for repair works, refitting and conversions for vessels on tow from South-East Asia past the South African coastline.

The SBIDZ will increase South Africa's international market share by modelled the hub on international competitors, thus achieving high density socio-economic impacts, where commercial activities are clustered to simultaneously encourage efficacy within the terrestrial space, the business value chain and viable sustainability to both business, government and society in the long-term.

5.1 The Performance Delivery Environment

Our “go-to market” Value Proposition Considerations

The Saldanha Bay Industrial Development Zone (SBIDZ) has been established as South Africa’s first sector-specific special economic zone (SEZ) in support of the Upstream Oil & Gas Services and Marine Repair & Engineering Sectors. It is also the first IDZ/SEZ to be established in a South African port. As part of the feasibility process, and extensive review of the Oil and Gas and Marine Repair & Fabrication industries was undertaken, with specific focus on the key industry drivers and differentiators.

The key results from this analysis of the industry indicated quite clearly that whilst flexibility in service offering/products would put a company “into the industry arena (order qualifier), the key differentiators of services in this industry are **ease of delivery, speed, quality of products and reliability**.

This means that a key strategic driver of the SBIDZ has to be the ‘ease of doing business’, and that the success of the IDZ depends to a very large degree, on its ability to service the end-user market in a manner that exceeds the current available offering in terms of quality and efficiency.

Local Macro Economic Considerations

Saldanha Bay is a critical resource for the sustainable growth and development of the Western Cape, with the SB estimated contribution to the Regional GDP at 32% in 2013, and an estimated growth rate of 2.7% over the period 2015-2020, as indicated in National Treasury’s MERO report for 2015. Within the broader district, SB is the strongest local municipality within the wider District and accounts for 30% of the existing WC GDP.

Moving forward, the SBIDZ initiative is a large component of the estimated growth over the period, particularly as it links to the national SIP 5 project, the Saldanha Bay-Northern Cape development corridor, which has a key objective of strengthening maritime support capacity for oil and gas.

Specifically, it is clear that the SBM has medium growth potential and socio-economic needs, as indicated in the WCG Growth Potential Study (2014), but as they specifically link to the SBIDZ project, it is necessary to consider local skills development and enterprise development initiatives, in order to support the sustainability of the SBIDZ in the longer-term.

5.2 Organisational Environment

By using the vehicle of an IDZ to facilitate sustainable economic growth in the Saldanha Bay Area, the Entity will enable the required level of infrastructure development and support to capitalise on the unique value proposition of an Oil and Gas, Marine Repair and Fabrication Cluster to support the African continent, thus ensuring sustainable economic development not only for the area, but for a sizeable contribution to the national GDP of the country.

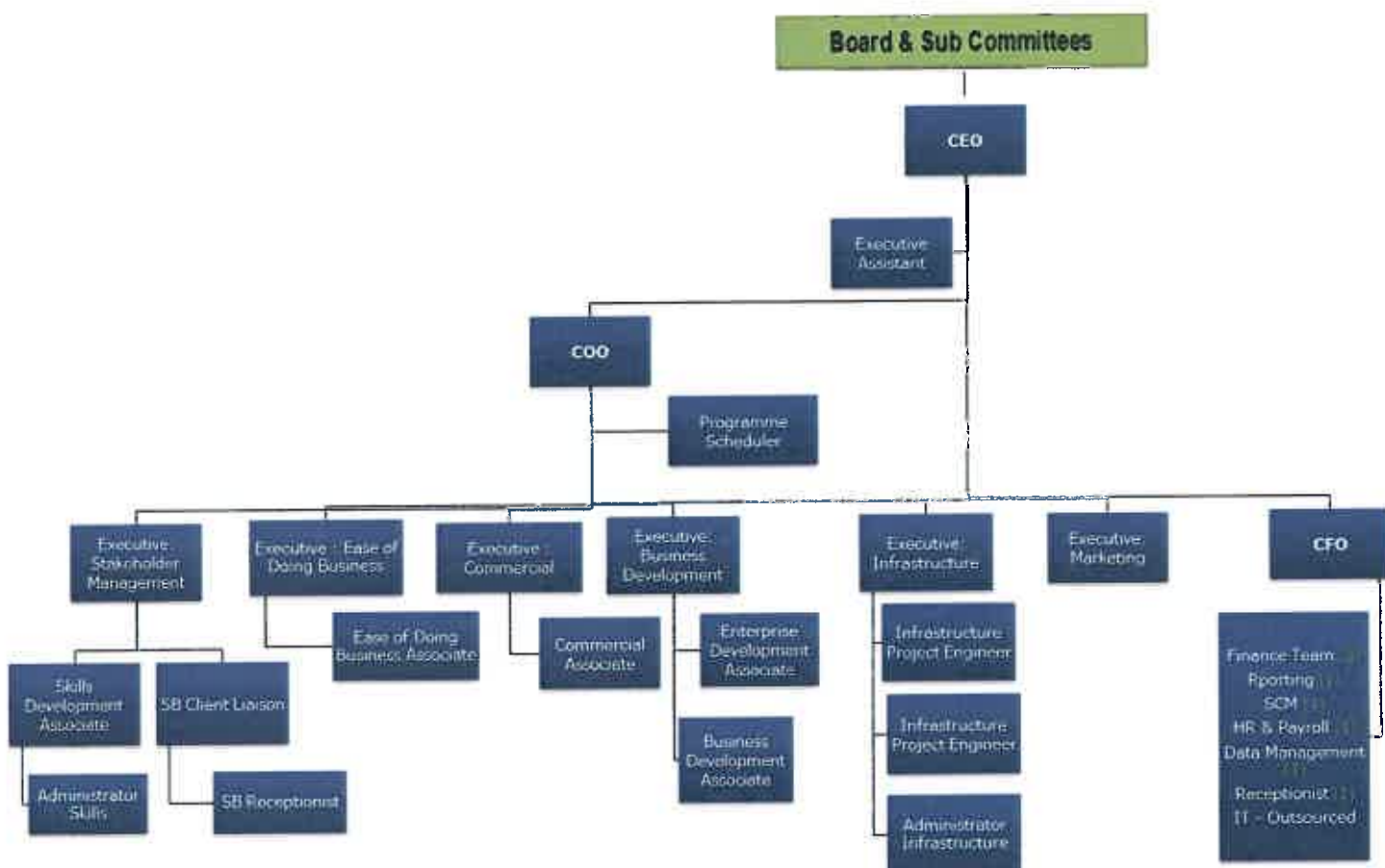
In addition, the SBIDZ designated areas includes a component of the Transnet National Ports Authority (TNPA) Land for direct access and usage, to be governed by an MOU between the SBIDZ and TNPA, which will enable the creation of the first Freeport within South Africa.

The SBIDZ LiCo is responsible for implementing the Strategic Plan for the Saldanha Bay IDZ within the Medium Term Strategic Framework of 2014-2019, supported by the National IDZ/SEZ strategy and Western Cape Provincial Infrastructure strategic planning.

In its inception, the SBIDZ project was incubated under Wesgro, and was therefore subject to the Wesgro Act, and was a registered Schedule 3C Public Entity, subject to the relevant legislative mandates governing entities. Within this framework, the SBIDZ LiCo operations formed part of the Wesgro Strategic Plan 2010/11 to 2014/15, and all related APPs within Wesgro on an annual basis, since the projects inception in 2009.

Subsequently, the SBIDZ LiCo commenced operating independently from the commencement of FY2014/15, as a registered subsidiary of Wesgro, and is currently in the process of registering as a provincial government business enterprise.

The SBIDZ LiCo currently consists of a small, specialised team responsible for implementing the SBIDZ mandate, at this point in time. The SBIDZ organogram is included below:



6 Strategic Outcome Oriented Goals

Strategic Outcome Oriented Goal	Promote sustainable economic growth and job creation
Goal Statement	<p>To create an enabling environment to promote sustainable economic growth and job creation by:</p> <ul style="list-style-type: none"> Facilitating a cumulative contribution to National GDP by investors within the SBIDZ of R16.133 billion by the end of the FY 2019/2020 Facilitating a cumulative contribution to the Western Cape GDP of investors in the Zone of R13.7 billion by the end of the FY 2019/2020

Budget Overview

High Level Budget: Total

Description	Audited 2014/15	Estimated outcome 2015/16	Estimated outcome 2016/17	2017/18	2018/19	2018/20
	R'000	R'000	R'000	R'000	R'000	R'000
Operational expenditure	21,535	46,413	57,583	40,074	32,526	33,132
Capital expenditure	21,103	104,570	135,365	168,074	64,375	-
TOTAL EXPENDITURE	42,638	150,983	192,948	208,748	96,901	33,132
Staff Compliment		28				

High Level Budget: Administration

Description	Audited 2014/15	Estimated outcome 2015/16	Estimated outcome 2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	
Operational expenditure		15,655	17,640	13,171	13,670	12,959
Capital expenditure		1,410	550	572	606	-
TOTAL EXPENDITURE		17,065	18,190	13,743	14,276	12,959
Staff Compliment		9				

High Level Budget: Operations

Description	Audited 2014/15	Estimated outcome 2015/16	Estimated outcome 2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'001
Operational expenditure		30,758	39,942	26,903	18,856	20,173
Capital expenditure		103,160	134,815	168,102	63,769	-
TOTAL EXPENDITURE		133,918	174,757	195,005	82,625	20,173
Staff Compliment		19				

7 Overview of 2016/17 Budget and MTEF Estimates

7.1 Expenditure Estimates

Economic classification R'000	Outcome	Estimate Outcome 2015/16	Medium-term estimate		
	Audited 2014/15		2016/17	2017/18	2018/19
Revenue					
Non-tax revenue	43 300	150 983	192 948	208 748	96 901
Sale of goods and services other than capital assets	397	22	-	-	-
<i>of which:</i>					
<i>Admin fees</i>	397	22	-	-	-
Other non-tax revenue	-	19 958	18 433	8 000	800
Interest - Department of Economic Development & Tourism	-	654	550	-	-
Interest - Department of Trade and Industry	-	19 304	17 883	8 000	800
Transfers received	42 903	131 003	174 515	200 748	96 101
Other government units	42 903	131 003	174 515	200 748	96 101
Department of Economic Development and Tourism	22 028	28 958	29 824	31 316	33 132
Accumulated Reserves	-	12 520	10 432	-	-
Department of Trade and Industry	15 434	83 856	116 932	160 102	62 969
Special Projects	2 066	5 669	17 327	9 330	-
Donations received	3 375	-	-	-	-
Total revenue	43 300	150 983	192 948	208 748	96 901
Expenditure					
Current expenditure	21 535	46 413	57 583	40 074	32 526
Compensation of employees	11 835	18 617	21 036	24 177	25 942
Salary & Wages	11 759	18 448	20 740	24 177	25 942
Recruitment costs	58	36	225	-	-
Directors remuneration	18	133	71	-	-
Goods and services	9 700	27 796	36 547	15 897	6 584
Advertising	263	942	2 016	-	-
Audit Fees	803	1 180	1 710	-	-
Bank charges	17	31	37	-	-
Catering services	92	250	423	-	-
Communication	67	127	121	-	-
Computer services	788	1 182	1 251	-	-
Consultants, contractors and special services	889	4 010	2 758	-	-
Entertainment	-	-	52	-	-
Equipment less than Capitalisation threshold	-	40	-	-	-
Legal fees	150	385	326	-	-
Losses / (Profits)	32	-	-	-	-
Maintenance and repairs	584	1 080	1 075	-	-
Operating leases	1 535	8 072	2 685	6 567	6 584
Owned/ leasehold and property exp. (Establishment Costs)	65	11	11	-	-
Printing and publication	68	394	406	-	-
Professional bodies and membership fees	905	386	478	-	-
Special Projects	-	5 669	17 327	9 330	-
Travel and Subsistence	3 129	2 528	3 380	-	-
Training and staff development	136	1 043	1 433	-	-
Utilities	133	222	239	-	-
Venues and facilities	44	244	819	-	-
Capital Expenditure	21 103	104 570	135 365	168 674	64 375
Machinery and equipment	2 327	1 410	550	572	606
Bulk Infrastructure	18 776	103 160	134 815	168 102	63 769
Total expenditure	42 638	150 983	192 948	208 748	96 901

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

The SBIDZ initiative is comprised of 2 programmes:

- Administration
- Operations of the Zone

8 Programme 1: Administration

Purpose

The Administration Programme has the overarching objective of implementing best practice governance in support of the SBIDZ operations.

The programme has a complex role due to its need to balance the business needs and requirements of the SBIDZ, whilst at the same time undertaking a crucial governance function within the Entity, providing a treasury function to ensure optimum spending and utilisation of financial resources within the Entity.

Specifically, this is difficult, as the SBIDZ has a business imperative to create a world-class business function with an 'ease of doing business' for investors. The Administration Programme is required to be agile and support a world class approach to doing business, whilst at the same time balancing the legislative requirements of a public entity within South Africa. It is a skill to achieve this balance, whilst at the same time performing optimally in all areas of the programme.

Programme Structure

The programme is structured to include the following functions:

- Governance
- Financial Management
- Supply Chain Management
- Human Resources
- Information Technology

8.1 Strategic Objectives and Annual Targets

Strategic Objective Table	
Strategic Objective 1.1	To achieve and Maintain the Highest Level of Good Corporate Governance
Objective statement	To maintain a high standard of good corporate governance through achieving an unqualified audit opinion
Baseline	Unqualified Audit

Strategic objective Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Audit opinion from AGSA for the previous financial year				Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

8.2 Performance Indicators and Annual Targets

Strategic objective Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Audit opinion from AGSA for the previous financial year				Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

8.3 Quarterly Targets

Performance indicator	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Audit opinion from AGSA for the previous financial year	Annual	Unqualified Audit Opinion		Unqualified Audit Opinion		

8.4 Reconciling Performance Targets with the Budget and MTEF

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd - Administration					
Economic classification R'000	Outcome	Estimate Outcome 2015/16	Medium-term estimate		
	Audited 2014/15		2016/17	2017/18	2018/19
Revenue					
Non-tax revenue	43 300	17 065	18 190	13 743	14 276
Sale of goods and services other than capital assets	397	22	-	-	-
<i>of which:</i>					
<i>Admin fees</i>	397	22	-	-	-
Other non-tax revenue	-	654	550	-	-
Interest - Department of Economic Development & Tourism	-	654	550	-	-
Interest - Department of Trade and Industry	-	-	-	-	-
Transfers received	42 903	16 389	17 640	13 743	14 276
Other government units	42 903	16 389	17 640	13 743	14 276
Department of Economic Development and Tourism	22 028	16 389	17 640	13 743	14 276
Accumulated Reserves	-	-	-	-	-
Department of Trade and Industry	15 434	-	-	-	-
Special Projects	2 066	-	-	-	-
Donations received	3 375	-	-	-	-
Total revenue	43 300	17 065	18 190	13 743	14 276
Expenditure					
Current expenditure	21 535	15 655	17 640	13 171	13 670
Compensation of employees	11 835	6 279	7 003	6 604	7 086
Salary & Wages	11 759	6 110	6 707	6 604	7 086
Recruitment costs	58	36	225	-	-
Directors remuneration	18	133	71	-	-
Goods and services	9 700	9 376	10 637	6 567	6 584
Advertising	263	11	95	-	-
Audit Fees	803	1 180	1 710	-	-
Bank charges	17	31	37	-	-
Catering services	92	93	122	-	-
Communication	67	102	92	-	-
Computer services	788	1 122	951	-	-
Consultants, contractors and special services	889	1 839	1 513	-	-
Entertainment	-	-	8	-	-
Equipment less than Capitalisation threshold	-	40	-	-	-
Legal fees	150	260	290	-	-
Losses / (Profits)	32	-	-	-	-
Maintenance and repairs	584	1 080	1 075	-	-
Operating leases	1 535	2 061	2 525	6 567	6 584
Owned/ leasehold and property exp. (Establishment Costs)	65	11	11	-	-
Printing and publication	68	368	339	-	-
Professional bodies and membership fees	905	386	478	-	-
Travel and Subsistence	3 129	255	327	-	-
Training and staff development	136	295	545	-	-
Utilities	133	222	239	-	-
Venues and facilities	44	20	280	-	-
Capital Expenditure	21 103	1 410	550	572	606
Machinery and equipment	2 327	1 410	550	572	606
Bulk Infrastructure	18 776	-	-	-	-
Total expenditure	42 638	17 065	18 190	13 743	14 276

9 Programme 2: Operations

Purpose

The Operations Programme delivers on the implementation of the SBIDZ, thus enabling the overarching strategic goals of economic growth and job creation.

Specifically, the operations programme focuses on the key deliverables and work-streams that drive the activities within the Zone, in order to attract and retain key investors in the Oil and Gas and Marine Repair & Fabrication industries.

Given that the SBIDZ is a relatively new initiative, the Operations Programme is currently broken down into functional work-streams that address the required deliverables within the Programme, in order to develop a Zone within which industry investors can locate themselves.

In time, some of these work-streams may develop into sub-programmes, in line with the overarching strategic imperatives within the Strategic Plan.

Programme Structure

The programme is structured within the following work-streams:

- Ease of Doing Business
- Business Development
- Commercial Management
- Infrastructure Development
- Stakeholder Management
- Skills Development
- Enterprise Development

The main focus areas of each work-stream are included below:

Ease of Doing Business

One of the main overarching strategic drivers is the need for the SBIDZ to enable investor 'ease of doing business' because the key differentiator in the industry is a direct link to the ability to service the end-user market in a manner that exceeds the current availability within other African markets and competitors. The SBIDZ needs to implement an efficient and quality driven Zone in order to have a competitive edge in Africa.

An 'ease of doing business approach' is best incorporated into the SBIDZ through ensuring the ease of access for international industry into South Africa, via various mechanisms, including a CCA and a quality investor support programme, as indicated in Figure 6 below:

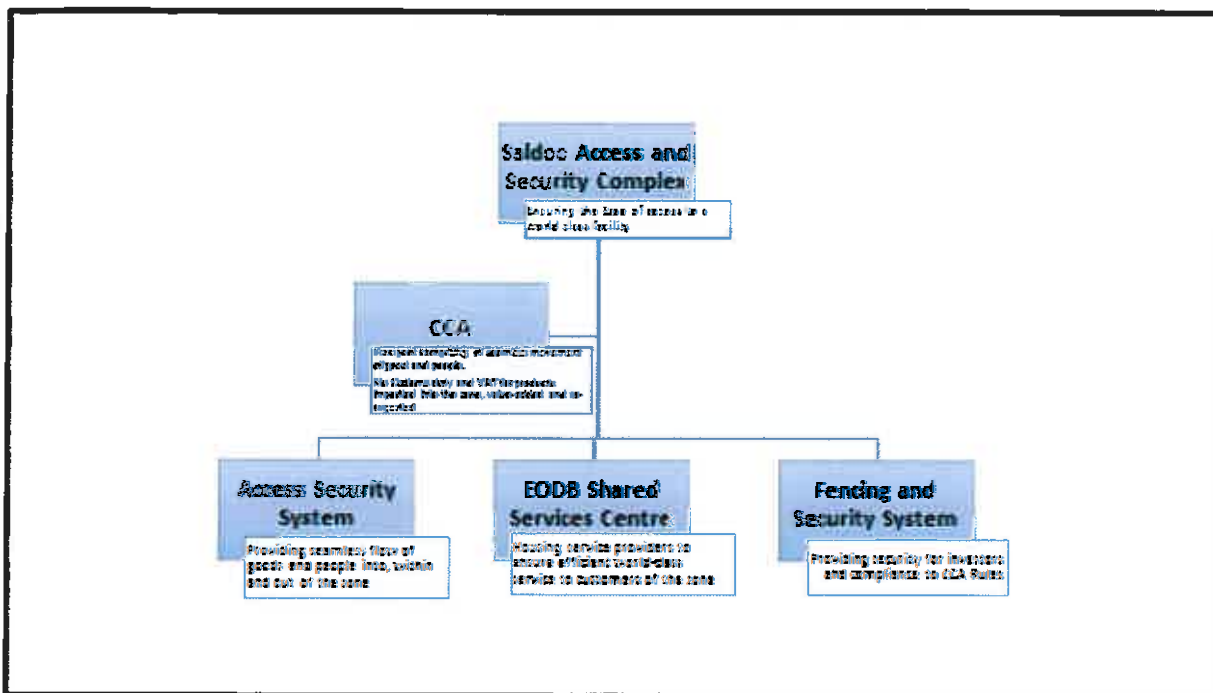


Figure 6: Structure of EODB Access Components

As the “ease of Doing Business” Approach is currently in its infancy, whilst the Zone is being developed, the current APP target incorporates developing a strategic framework for the Ease of Doing Business Approach within the SBIDZ.

This framework will be developed through systematic research and engagement with the international Oil and Gas and Marine Repair & Fabrication industries, to ensure the strategic relevance of the approach going forward.

Business Development

The Business Development work-stream focuses on investment promotion activities in the IDZ, as well as on concluding key MOAs with a specific focus on increasing the value proposition and future investment into the Zone, as relevant.

The comprehensive value chain for the Sector showing Tier 1 and Tier 2 operators who may be interested in investing in the SBIDZ is included in Figure 2 below:

Operators (Tier 1) All types of exploration, development and production companies; integrated majors, large and small independents, energy utility companies, non-operating companies, exploration companies					Support Services
	Reservoirs	Wells	Facilities	Marine & Subsea	
Tier 2 Main contractors and consultancies	Reservoir engineering/management consultancies Seismic data acquisition & processing contractors	Wells services contractors Drilling contractors Well engineering consultancies Cement contractors	Engineering, operation, maintenance and decommissioning contractors Engineering consultancies Structure and topsides design and fabrication	Marine/subsea contractors Heavy lift contractors Pipe lay contractors Floating production storage units	Catering/ Facilities Management Sea/air transport Warehouse/logistics Communications Recruitment Training Health, safety and environmental services
Tier 3 Products and services suppliers, components subcontractors and sub-suppliers	Geoscience consultancies Data interpretation consultancies Seismic instrumentation Data storage IT Hardware/software	Drilling & well equipment design and manufacture Drilling tubulars Laboratory services	Machinery/plant design and manufacture Engineering support contractors Specialist engineering services Inspection services Specialist steels and tubulars	Subsea manifold/riser design and manufacture Marine/subsea equipment Subsea inspection services	Medical services Banking/finance Legal Insurance Accountancy Energy Consultancies

Figure 2: Types of Investors and Businesses Being Targeted to Invest in the SBIDZ

The specific communication and marketing approach linked to investor attraction has been implemented to focus on attracting investment within each of these specific tiers.

The following figure provides a high order indication of tenant location with respect to current status of sub-lease negotiations between the SBIDZ LICO and interested businesses in the industry.

Note that business names have been excluded due to an NDA between the SBIDZ LiCo and interested parties.



Figure 3: *Indicative Map of Tenant Interest as at 2 September 2015*

The business development work stream has targets linked to obtaining investor interest in the Zone, either through signing a right of first refusal or non-disclosure agreement, until such a time as an investor is prepared to physically locate in the Zone.

This timeframe is determined in line with the SBDIZ macro infrastructure development programme, as the Zone is currently implementing bulk-infrastructure. It is anticipated that the first investor will locate in the Zone during the 2016/17 FY, and therefore the current APP target links to the signing of right of first refusals and NDAs at this juncture.

Commercial Management

The Commercial Management work-stream focuses on investor retention, which includes three main focus areas:

Investor Leasing

Given that the first investor is expected to locate in the SBIDZ in FY2017/18, the commercial function is currently focuses on developing a strategic framework which highlights all possible investor requirements, in order to develop a best practice investor leasing model and leasing approach for all investors.

Estate Management

The commercial work-stream will also be responsible for developing a framework and approach to managing the SBIDZ estate going forward, which will then be implemented under the current Strategic Plan.

Innovation Campus

In addition, the commercial work-stream is responsible for facilitating the development of an Innovation Campus within the SBIDZ, which will be a world-class innovation hub and learning

centre for the Oil and Gas and Marine Repair & Fabrication industries. It is likely that this hub will only be conceptualised in the FY2017/18, as there is a requirement to source funding and strategic partnerships to help implement the initiative.

The main target for the commercial work-stream in the short-term will link to developing an overarching framework which determines the approach to managing all commercial components of the Zone.

Stakeholder Management

The SBIDZ Stakeholder Management work-stream is responsible for managing strategic partnerships, including dti, WCDEDAT, TNPA and IDC, as well as for assisting the team in managing stakeholder approaches.

Specifically, within South Africa, one of the key challenges being faced is the lack of national knowledge linked to the Oil and Gas and Marine Repair & Fabrication industries. Part of the role of the SBIDZ is therefore to form national strategic partnerships and alliances, to raise awareness on the industry agendas. Currently the SBIDZ LiCo uses existing platforms to develop these linkages, for example their current participation in Operation Phakisa.

In addition, a key short-term focus and requirement of the stakeholder management work-stream is in the development of functional relationships with local industry and the community in the West Coast and SBM, particularly given the provincial focus on developing the West Coast economy. The stakeholder management target for the current APP therefore links directly to building local relationships as a first priority.

Skills Development

The IDZ skills development work-stream is driven through a civil society partnership with the Community Skills and Training Committee, through which the IDZ commits to facilitating the training of approximately 520 individuals on an annual basis, in line with skills requirements linked to the Oil and Gas and Marine Repair & Fabrication industries.

The skills development initiatives are currently unfunded through the SBIDZ, and therefore are largely dependent on the IDZ facilitating funding and training interventions, on a case-by-case basis, with funding currently secured through the DEDAT Armscor Learnership Programme, the dti SEZ Fund and MERSETA skills development programmes.

Current skills development interventions include:

- Artisan Experiential Learning Programme (Apprenticeship)
- Department of Labour: Employment Services System of South Africa (ESSA)
- Occupational Readiness Programme (ORP) with DEDAT
- Recognition of prior Learning (RPL) with SAOGA
- Train-the-trainer (Mentoring & Coaching) with SAOGA
- Engineering & Construction related skills programmes (SEZ Fund & MERSETA)
- Career Awareness

Infrastructure Development

Infrastructure development within the SBIDZ includes two components, as follows:

Internal – the development of internal bulk services in support of investors who locate in the Zone
 External – the development of specific top structures (e.g. warehouses) on behalf of investors, once they have signed a lease to locate in the Zone.

Currently, the internal services are underway to prepare the Zone for investor location over the next 5 year period. The development is broken down into key phases, with the following allocated capital budget to the development, in line with the dti funding agreement.

Figure 5: Summary of Infrastructure Phases, Completion Dates and Capital Budget Allocations

Phase	Description	Planned Completion Date	Capital Budget (Rm)
Design	Project start-up, survey and Town Planning	Completed	R4.50
Phase 1a: Development of the IDC Saldok Property Portion 23/127	Engineering and Design	Completed	R18.00
	IDC Saldok civil and electrical servicing (various internal services)	September 2016	R147.50
	Upgrade of municipal WWTW	September 2016	R39.50
	Link Road and Bridge	November 2016	R49.00
	Extension of municipal water reservoir	January 2017	R15.00
	Fencing, security and lighting	April 2018	R27.00
	Generic top structures	October 2018	R37.00
Phase 1b: Selected buildings	Shared services Centre	September 2017	R70.00
	Generic top structures	October 2018	R34.50
SUB-TOTAL			R442.00
Phase 2: Development of the Port land	Servicing of land: roads, various internal services		R283.00
	Investor Specific Top Structures		R17.00
SUB-TOTAL			R300.00
TOTAL			R742.00

Of the R742m the dti already approved the R442 for the Phase 1 development from the SEZ fund.

Given that the SBIDZ LiCo facilitates delivery on the infrastructure projects undertaken by contracting engineers, the APP targets for the current FY link to commitment of the dti funding in line with the current agreement.

Enterprise Development

As with skills development, the SBIDZ LiCo does not have any funding for enterprise development within the SBM area. There is however a strategic imperative to ready the local business community to support investors in the Zone, as part of their holistic supply chain requirements.

The IDZ enterprise development interventions are implemented through the IDZ Business Forum, which consists of 8 local business associations.

The focus of the IDZ enterprise development unit during the current FY will be on implementing systems and interventions that assist specific local enterprises for assistance in becoming "business ready" to support SBIDZ investors.

9.1 Strategic Objectives and Annual Targets

Strategic Objective 1.1	To establish a Special Economic Zone within the great SBM area
Objective Statement	6 020 direct and indirect jobs facilitated within the Western Cape Province as a result of the SBIDZ by the end of the FY 2019/2020
Baseline	25,152 jobs in the WC Province 2014

Strategic objective	Performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1	Number of jobs facilitated within the Western Cape Province as a result of the SBIDZ				30	142	822	2 691

9.2 Performance Indicators and Annual Targets

Strategic objective	Performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1	Ease of Doing Business framework approved				Ease of Doing Business framework approved	n/a		n/a
1.2	Number of signed NDAs or right of first refusals with potential investors				5	6		7
1.3	Number of signed tenants with the SBIDZ				0	1		2
1.4	Commercial Management Framework approved				Commercial Management Framework approved	n/a		n/a
1.5	Tenant lease agreement designed and approved				0		Tenant lease agreement designed and approved	0
1.6	Definition of Scope of Innovation Campus designed and approved				0		Definition of Scope of Innovation Campus designed and approved	0
1.7	Percentage of received funds committed to the infrastructure programme				70%	85%		100%
1.8	Number of local stakeholder engagement initiatives				12	12		12

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13		2014/15		2016/17	2017/18	2018/19
1.9	Number of beneficiaries participating in the skills development programme				520	520	520	
1.10	Implementation of an Integrated Enterprise Development System				1	n/a	n/a	

9.3 Quarterly Targets

Performance indicator		Reporting period	Annual target 2016/17	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.1	Ease of Doing Business framework approved	Annual	Ease of Doing Business framework approved				1
1.2	Number of signed NDAs or right of first refusals with potential investors	Annual	5				5
1.3	Number of signed tenants with the SBIDZ	Annual	0				0
1.4	Commercial Management Framework approved	Annual	Commercial Management Framework approved				1
1.5	Tenant lease agreement designed and approved	Annual	Tenant lease agreement designed and approved				0
1.6	Definition of Scope of Innovation Campus designed and approved	Annual	Definition of Scope of Innovation Campus designed and approved				1
1.7	Percentage of received funds committed to the infrastructure programme	Annual	70%				70%
1.8	Number of local stakeholder engagement initiatives	Quarterly	12	3	3	3	3
1.9	Number of beneficiaries participating in the skills development programme	Annual	520				520
1.10	Implementation of an Integrated Enterprise Development System	Annual	1				1

9.4 Reconciling Performance Targets with the Budget and MTEF

Summary of provincial payments and estimates by economic classification:					
Saldanha Bay IDZ Licencing Company (SOC) Ltd - Operations					
Economic classification R'000	Outcome	Estimate Outcome 2015/16	Medium-term estimate		
	Audited 2014/15		2016/17	2017/18	2018/19
Revenue					
Non-tax revenue	43 300	133 918	174 757	195 005	82 625
Sale of goods and services other than capital assets	397	-	-	-	-
<i>of which:</i>					
<i>Admin fees</i>	397	-	-	-	-
Other non-tax revenue	-	19 304	17 883	8 000	800
Interest - Department of Economic Development & Tourism	-	-	-	-	-
Interest - Department of Trade and Industry	-	19 304	17 883	8 000	800
Transfers received	42 903	114 614	156 874	187 005	81 825
Other government units	42 903	114 614	156 874	187 005	81 825
Department of Economic Development and Tourism	22 028	12 569	12 183	17 573	18 856
Accumulated Reserves	-	12 520	10 432	-	-
Department of Trade and Industry	15 434	83 856	116 932	160 102	62 969
Special Projects	2 066	5 669	17 327	9 330	-
Donations received	3 375	-	-	-	-
Total revenue	43 300	133 918	174 757	195 005	82 625
Expenditure					
Current expenditure	21 535	30 758	39 942	26 903	18 856
Compensation of employees	11 835	12 338	14 033	17 573	18 856
Salary & Wages	11 759	12 338	14 033	17 573	18 856
Recruitment costs	58	-	-	-	-
Directors remuneration	18	-	-	-	-
Goods and services	9 700	18 420	25 909	9 330	-
Advertising	263	931	1 921	-	-
Audit Fees	803	-	-	-	-
Bank charges	17	-	-	-	-
Catering services	92	157	301	-	-
Communication	67	25	29	-	-
Computer services	788	60	300	-	-
Consultants, contractors and special services	889	2 171	1 245	-	-
Entertainment	-	-	44	-	-
Equipment less than Capitalisation threshold	-	-	-	-	-
Legal fees	150	125	36	-	-
Losses / (Profits)	32	-	-	-	-
Maintenance and repairs	584	-	-	-	-
Operating leases	1 535	6 011	160	-	-
Owned/ leasehold and property exp. (Establishment Costs)	65	-	-	-	-
Printing and publication	68	26	67	-	-
Professional bodies and membership fees	905	-	-	-	-
Special Projects	-	5 669	17 327	9 330	-
Travel and Subsistence	3 129	2 273	3 053	-	-
Training and staff development	136	748	888	-	-
Utilities	133	-	-	-	-
Venues and facilities	44	224	539	-	-
Capital Expenditure	21 103	103 160	134 815	168 102	63 769
Machinery and equipment	2 327	-	-	-	-
Bulk Infrastructure	18 776	103 160	134 815	168 102	63 769
Total expenditure	42 638	133 918	174 757	195 005	82 625

PART C: LINKS TO OTHER PLANS

The SBIDZ is strategically linked to the following key initiatives and Partners:

Industrial Development Corporation of South Africa Limited

The SBIDZ is being established on the IDC Saldoc Property, in line with mutual mandated strategic objectives of the two state-owned companies to drive the broader goals of economic development and job creation; as well as in line with the designation of the SBIDZ under the MDA.

Transnet Ports Authority

SBIDZ and TNPA share a vision to develop the Oil and Gas Services Complex through dedicated infrastructure and resources, and key collaboration. Specifically, dedicated infrastructure and resources that form part of the collaboration include:

- Conclusion of the TNPA-SBIDZ lease agreement, possible by IDZ designation, which is currently in process
- An Off Shore Supply Base terminal to service off shore operations. The extension of the General Maintenance Quay into the Offshore Supply Base, for which construction has commenced
- Dedicated deep water quay access to accommodate Rigs and Vessel Repair industry. The construction of a 380m long berth (Berth 205), offering 21m of water depth south of the existing MPT. Berth 205 will also support OSB cargo movement. The transaction Advisory Period is in process for this project.
- Dedicated shallow water access to accommodate the Vessel Building Industry and shallower Rigs. The construction of a 500m long jetty adjacent to the Mossgas factory to enable launching and testing of Vessels, and repairs and maintenance to shallow rigs. The transaction Advisory Period is in process for this project.

10 Links to the Long Term Infrastructure and Other Capital Plans

The SBIDZ has a long-term infrastructure development, refurbishment and maintenance strategy, which focuses on Zone being development in phases, with a 'just in time' approach, to enable the strategic management of infrastructure costs, relative to the projected revenue streams which will develop on rental of land and services to key investors.

The long-term budget for the SBIDZ foresees that the entity will break even in year 19 of its existence.

In the interim, following the initial up-front investment of R500 million, it is expected that the IDZ or SEZ fund managed by national dti will continue to support the SBIDZ's key infrastructure refurbishment and maintenance requirements, which are estimated at 4% of infrastructure cost per annum, in line with standard public sector practices.

It is estimated that the Zone will generate its first direct income from investors by FY2017/18, which will constitute approximately 7% of projected expenses at that point in time. Thereafter, income will continue to increase, based on investor uptake, until FY 2031/32 by which point the Zone will make a profit.

In addition, as a strategic project under the WCDEDAT Cape Catalyst Department, the SBIDZ is operationally funded by WCDEDAT, which has committed an operational budget of R90 million for the 3 year period 2014-2017 MTEF cycle, and future support is confirmed, as indicated in the recordal of the WCG Inter-governmental Task Team meeting minutes of the 26th of August 2015.

ANNEXURE D:

Amendment to the 2015 – 2019 Strategic Plan

PART B: STRATEGIC OBJECTIVES

7. Programme 1: Administration

Excluded from the Strategic Plan

Strategic Objective Table	
Strategic Objective 1.1	To achieve and Maintain the Highest Level of Good Corporate Governance
Objective Statement	To maintain a high standard of good corporate governance through achieving an unqualified audit opinion
Baseline	Unqualified Audit

ANNEXURE E: Technical Indicator Definitions

Programme Performance Indicator (Administration 1.1)	Audit opinion from AGSA for the previous financial year
Short definition	An opinion expressed by the Auditor General of South Africa that the financial statements presents fairly, in all material respects, the financial position, financial performance and cash flow.
Purpose/importance	To ensure the entity delivers on its mandate effectively and efficiently. Strengthens governance structures
Source/collection of data	The signed off audit report by the AGSA
Method of calculation	Qualitative
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	To achieve target as indicated
Indicator responsibility	Chief Financial Officer

Programme Performance Indicator (Operations: 1.1)	Ease of Doing Business framework developed
Short definition	Develop an ease of Doing Business Framework for approval by the CEO and CFO
Purpose/importance	To provide a strategic framework for the implementation of the EODB approach
Source/collection of data	Framework approved by the delegated authority
Method of calculation	The approved framework (Qualitative)
Data limitations	Lack of industry experts will result in lack of information that will inform the framework
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Ease of Doing Business

Programme Performance Indicator (Operations: 1.2)	Number of signed non-disclosure agreements or right of first refusals with potential investors
Short definition	To obtain a signed right of first refusal from interested investors in the Oil and Gas and Marine Repair Cluster, with the SBIDZ.
Purpose/importance	To secure potential investor interest whilst developing infrastructure
Source/collection of data	Signed agreement.
Method of calculation	Each signed agreement will count as one
Data limitations	Economic climate will impact of the number of potential investors
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Target as indicated or higher performance
Indicator responsibility	Executive: Business Development

Programme Performance Indicator (Operations 1.3)	Number of signed tenants
Short definition	Number of tenants with signed lease agreements with the SBIDZ
Purpose/importance	Formal leasing agreement with tenants will result in revenue generation
Source/collection of data	Signed agreement.
Method of calculation	Quantitative
Data limitations	Economic climate will impact of the number of potential investors
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated or higher performance
Indicator responsibility	Executive: Business Development

Programme Performance Indicator (Operations 1.4)	Commercial Management framework approved
Short definition	Develop a Commercial Framework for approval by the CEO and CFO
Purpose/importance	To provide a strategic framework for the implementation of the Commercial Management approach
Source/collection of data	Framework approved by the delegated authority
Method of calculation	Qualitative
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Commercial

Programme Performance Indicator (Operations 1.5)	Tenant lease agreement designed and approved
Short definition	Design and approve a tenant lease agreement
Purpose/importance	To provide a best practice agreement to sign with all tenants
Source/collection of data	SBIDZ approved tenant lease template
Method of calculation	Qualitative
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Commercial

Programme Performance Indicator (Operations 1.6)	Approved definition of scope of innovation campus
Short definition	Design and approve an innovation campus scope document
Purpose/importance	To provide a scope for appointing a service provider for implementation
Source/collection of data	Approved innovation campus scope document
Method of calculation	Qualitative
Data limitations	Internal and External Limitations
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Commercial

Programme Performance Indicator (Operations 1.7)	Percentage of received funds committed to the infrastructure programme
Short definition	Committing funds to a procurement process regarding the awarding of contracts for the development of infrastructure in the zone, to ensure the successful delivery, relating to the operator permit conditions.
Purpose/importance	To provide structures in the zone for the self-sustainability of the SBIDZ in the medium-long term.
Source/collection of data	Proof of request for tenders/quotations
Method of calculation	Quantitative
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Infrastructure Development Executive: Commercial Executive: Ease of Doing Business

Programme Performance Indicator (Operations 1.8)	Number of local stakeholder engagement initiatives
Short definition	Number of engagements with the local community in the SBM area to foster and build relationships
Purpose/importance	Develop relationships and open lines of communication with the SBM community
Source/collection of data	Attendance registers, agendas and minutes as relevant
Method of calculation	Quantitative
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Stakeholder

Programme Performance Indicator (Operations 1.9)	Number of beneficiaries participating in the skills development programme
Short definition	Learners are identified via the following; ESSA system at the Department of labour; the Community Skills and Training Committee; Local newspapers and direct community engagements are optional.
Purpose/importance	Develop an approach to upskill local labour to meet investor requirements. This will ensure that investors are supported by enough local skills to attract them to the SBIDZ.
Source/collection of data	Registration confirmation from the various tertiary institutions and/or signed agreements.
Method of calculation	Quantitative
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Stakeholder and Skills Coordinator

Programme Performance Indicator (Operations 1.10)	Implementation of an Integrated Enterprise Development System
Short definition	Overall project and programme tracking system (JOC)
Purpose/importance	To ensure timeous updates on projects and accurate reporting
Source/collection of data	Implementation documents of the pilot phase can be downloaded from the system
Method of calculation	Qualitative
Data limitations	System downtime
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Commercial

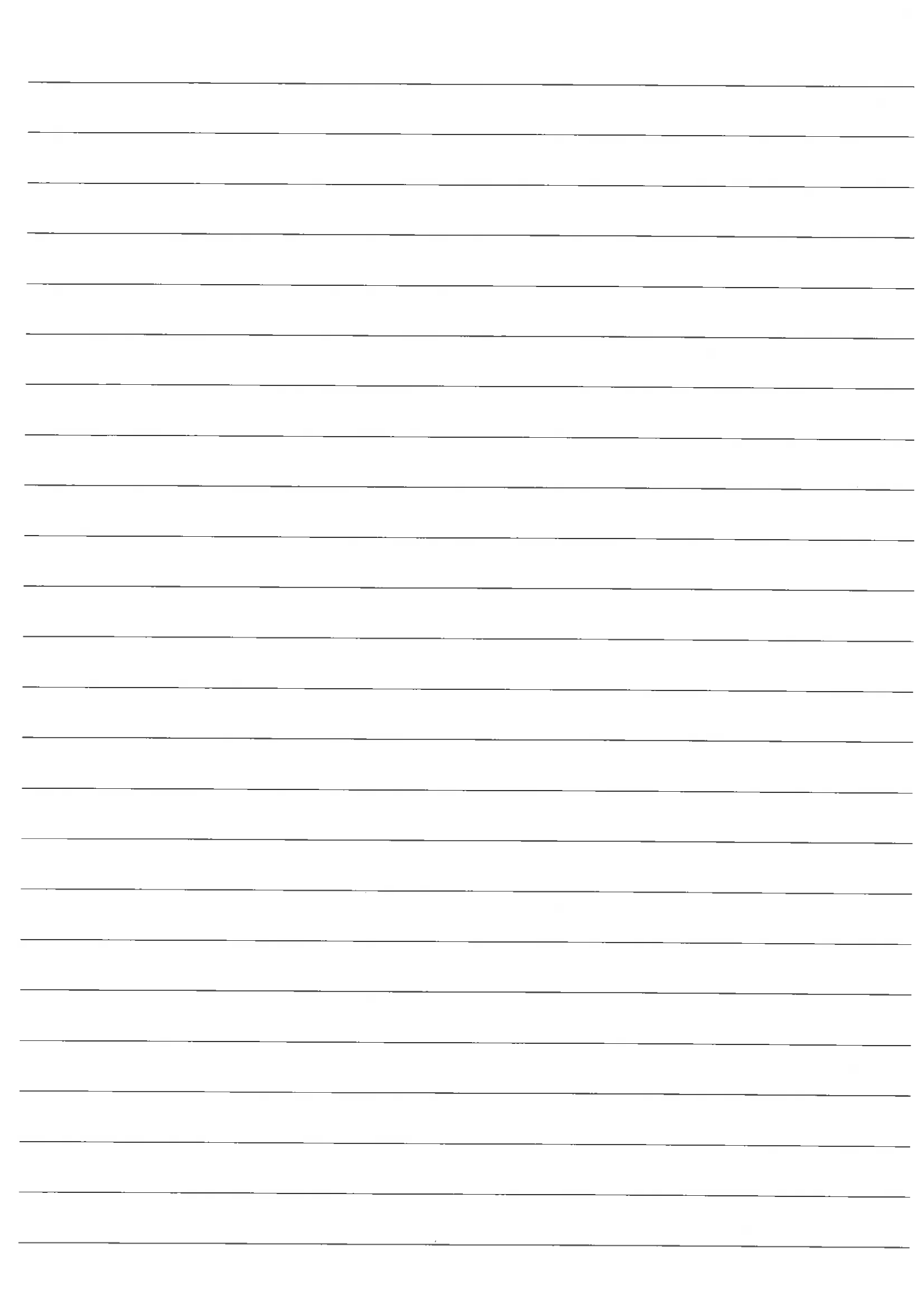
ANNEXURE F:

Amendment to the 2015 – 2019 Strategic Plan

TECHNICAL INDICATOR

Excluded from the Strategic Plan

Programme Performance Indicator	To achieve and Maintain the Highest Level of Good Corporate Governance
Short definition	Ensuring systems, practices and processes are established, communicated and monitored by which the SBIDZ is directed and controlled
Purpose/importance	To develop a system to ensure compliance with relevant legislation and ensure sound decision making in order to achieve the performance objectives of the SBIDZ
Source/collection of data	Internal audit reports, external audit reports, regular monitoring of legislation / practices.
Method of calculation	Qualitative
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	To achieve target as indicated
Indicator responsibility	Chief Financial Officer



SALDANHA BAY IDZ LICENCING COMPANY (SOC) LTD

14TH FLOOR, SOUTH AFRICAN RESERVE BANK BUILDING, 60 ST. GEORGE'S MALL, CAPE TOWN 8001
PO BOX 304, CAPE TOWN, 8000

Tel: 087 095 0261

www.sbidz.co.za

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