



For Noting:

The Saldanha Bay IDZ Licencing Company SOC Ltd (SBIDZ LiCo) was listed and classified as a provincial government business enterprise in Schedule 3 Part D of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) on 24 February 2017 (See Notice No. 163 published in Government Gazette No. 40637). In terms of Section 52 of the PFMA the accounting authority of the SBIDZ LiCo must submit a Corporate Plan to the accounting officer of the Department of Economic Development and Tourism and Provincial Treasury at least one month before the start of the SBIDZ LiCo's financial year i.e 1 April 2017. Although care has been taken to ensure the accuracy, completeness and reliability of the information provided in the Corporate Plan, it should be noted that given the late listing and classification of the SBIDZ LiCo as a provincial government business enterprise, an attenuated Corporate Plan is submitted with the concurrence of the Department of the Premier. Further that a complete Corporate Plan will be submitted for 2018/19 as the SBIDZ gains traction, although in lieu of this, a Business Plan is being developed for 2017/18 and this is far advanced.



FOREWORD

The Saldanha Bay IDZ (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.

The Saldanha Bay IDZ Licencing Company SOC Ltd (LiCo) was formally awarded the Operator's Licence on 31 October 2013 for the establishment of an Industrial Development Zone (IDZ) in Saldanha Bay specifically focused on Oil and Gas Services and Marine Repair and Fabrication. This marked the formal commencement of implementing a 30-year strategic initiative to utilise the existing IDZ enabling legislation to create an enabling environment to promote sustainable economic growth and job creation.

The legislation incorporating the LiCo was assented to by the Premier of the Western Cape on 31 March 2016 and came into operation on 5 August 2016. The finalisation of this legislative process enabled the LiCo to successfully apply to National Treasury for 3D Provincial Government Business Enterprise status. The scheduling of the LiCo is awaited.

In addition, the SBIDZ is governed by the Special Economic Zones Act, 2014 (Act 16 of 2014), 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 National 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 2015/16-2019/20, with the current 2017/18 Corporate Plan being the third in the five year period.

OFFICIAL SIGN-OFF

It is hereby certified that this Corporate Plan:

- Was developed by the management of the LiCo, under the guidance of Minister Alan Winde.
- Was prepared in line with the current Strategic Plan of the LiCo.
- Accurately reflects the performance targets, which the LiCo will endeavour to achieve, given the resources made available in the budget for 2017/2018.

Herman Boneschans
Chief Financial Officer



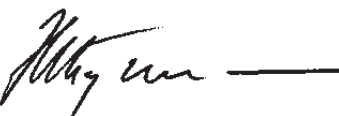
Signature:

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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LIST OF ABBREVIATIONS / ACRONYMS

AGSA	Auditor-General of South Africa
CCA	Customs Control Area
CHIETA	Chemical Industries Education and Training Authority
DEADP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DLG	Department of Local Government
DTI	Department of Trade and Industry
EIA	Environmental Impact Assessment
EIR	Environmental Impact Report
EoDB	Ease of Doing Business
ESSSA	Employment Services System of South Africa
GDP	Gross Domestic Product
IDC	Industrial Development Corporation
IDP	Industrial Development Plan
IDZ	Industrial Development Zone
KPI	Key Performance Indicator
LiCo	Licencing Company
MDA	Manufacturing Development Act
MEC	Member of Executive Council
MERSETA	Manufacturing, Engineering and Related Services Sector Education and Training Authority
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NDA	Non-Disclosure Agreement
O&G	Oil & Gas
OSB	Oil Supply Base
PFMA	Public Finance Management Act
PICC	Presidential Infrastructure Coordinating Commission

PT	Provincial Treasury
RoFR	Right of First Refusal
RPL	Recognition of Prior Learning
SAOGA	South African Oil and Gas Alliance
SAPS	South African Police Service
SARS	South African Revenue Services
SBIDZ	Saldanha Bay Industrial Development Zone
SBM	Saldanha Bay Municipality
SCM	Supply Chain Management
SEZ	Special Economic Zone
SIP5	Strategic Integrated Project 5:Saldanha-Northern Cape Development Corridor
SOC	State Owned Company
TCP	Transnet Capital Projects
TETA	Transport Education and Training Authority
TNPA	Transnet National Ports Authority
TPT	Transnet Ports Terminal
WCDEDAT	Western Cape Department of Economic Development and Tourism
WCDM	West Coast District Municipality
WCG	Western Cape Government



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, 1996.

Part A: Strategic Overview

National:

The IDZ programme was gazetted in 1999 as an incentive programme under the Manufacturing Development Act, 1993 (Act 187 of 1993) (MDA). The regulations for the IDZ programme were promulgated in 2000. It was published in Gazette number 1224 of 1 December 2000, as amended by government notice number R1065, published in Gazette number 29320 of 27 October 2006. The overall regulatory framework for the IDZ programme comprises of the following legislation:

- The MDA as amended
- The IDZ Regulations and subsequent amendments
- The Special Economic Zones Act
- Section 21A of the Customs and Excise Act, 1964 (Act 91 of 1964), and relevant provisions of the Value-Added Tax Act, 1991 (Act 89 of 1991)
- Report No. 14 promulgated by the International Trade Administration Commission in accordance with the Customs and Excise Act
- The Saldanha Bay Industrial Development Zone Licencing Company Act 2016 (Act 1 of 2016)

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
- National Infrastructure Plan (SIP5)

Provincial:

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

The LiCo successfully applied to National Treasury to be listed as a Schedule 3D Provincial Government Business Enterprise, making it further subject to the following legislative mandates:

- Income Tax Act (Act 58 of 1962)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)
- Public Finance Management Act, 1999 (Act 1 of 1999) and its Regulations
- Companies Act, 2008 (Act 71 of 2008) and its Regulations

- Special Economic Zones Act and its Regulations
- Saldanha Bay Industrial Development Zone Licencing Company Act 1 of 2016
- Value-Added Tax Act
- Customs and Excise Act
- Customs Duty Act, 2014 (Act 30 of 2014)
- Customs Control Act, 2014 (Act 31 of 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 SBM and 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 key focus of the SBIDZ programme, is to see the region of Saldanha Bay and the Port of Saldanha Bay as a hive of industry and logistics, where the surrounding local communities and businesses benefit from a sustainable, inclusive and robust economy, and in turn offer quality, reliable and value-for-money services and goods to customers in the Port and beyond.

The tangible goal is to establish a world-class industrial Freeport-linked complex for the upstream Oil & Gas, and Marine Fabrication, Repair and Maintenance industrial sectors, in which many diverse, competitive and complementary services and manufacturing companies execute their daily business easily in serving their customers across the African continent and beyond.

The key customers of the SBIDZ would fall into the following segments within the Oil and Gas and Marine Fabrication and Repair industries:

- The Exploration and Production segment
- The Repairs and Maintenance segment
- The Marine & Subsea Manufacturing and Fabrication segment
- The Logistics and Warehousing segment
- The Ancillary & Supporting Services Segment

Part A: Strategic Overview

Major business drivers for investors are:

- Ease of Doing Business
- Provision of infrastructure
- Access to land
- Free Port
- Skilled workforce
- Appropriate approval by small businesses
- Local community support

The SWOT analysis provides an overview of the current strengths, weaknesses, threats and opportunities.

SWOT Analysis

Strengths	Weakness
<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 	<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



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 • The oil price has delayed infrastructure projects in Sub-Saharan Africa which gives Saldanha Bay a window of opportunity

African Market Linkages

Sub-Saharan Africa is the main target market of the SBIDZ, largely due to proximity of the market.

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.

In addition, in relation to rig repair, there are a number of opportunities for the SBIDZ to develop floating rig fleet in Africa, and with new order books coming online in the next two years there are a number of future (5yrs) opportunities for the SBIDZ to develop infrastructure.

The SBIDZ will be unique, by becoming a centralised provider of bulk parts and services, with a coordinated supply chain contribution that will fill a specific role within the industry.

Part A: Strategic Overview

International Market Linkages

The SBIDZ hub is modelled on key international competitors and contributors to the Oil and Gas and Marine Repair and 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 modelling 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 success of the SBIDZ depends to a very large degree on its ability to service the end-user market's needs in a manner that exceeds the current available offering in the market.

Customers in the oil and gas industry are highly sensitive to quality of services and products and the speed and reliability of delivery; but significantly less sensitive to price.

Therefore, the SBIDZ must specifically offer certainty of delivery of a product or service within set timeframes and certainty that the product and service meets the high quality standards needed for this health, safety and environmentally conscious industry.

This means that a key strategic driver of the SBIDZ is the ‘ease of doing business’ approach, which ensures that meeting the customer needs is central to all services being offered to the investors.

Local Macro Economic Considerations

Saldanha Bay is a critical resource for the sustainable growth and development of the Western Cape, with the Saldanha Bay 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, Saldanha Bay is the strongest local municipality within the wider District.

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.

In addition, the Saldanha Bay community also has clear socio-economic needs, which will impact on the SBIDZ vision for an industry cluster supported by local content. The SBIDZ initiative is therefore strongly focused on 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 LiCo 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 TNPA Land for direct access and usage, to be governed by an MOU and Heads of Agreement between the SBIDZ and TNPA, which will enable the creation of the first Freeport within South Africa.

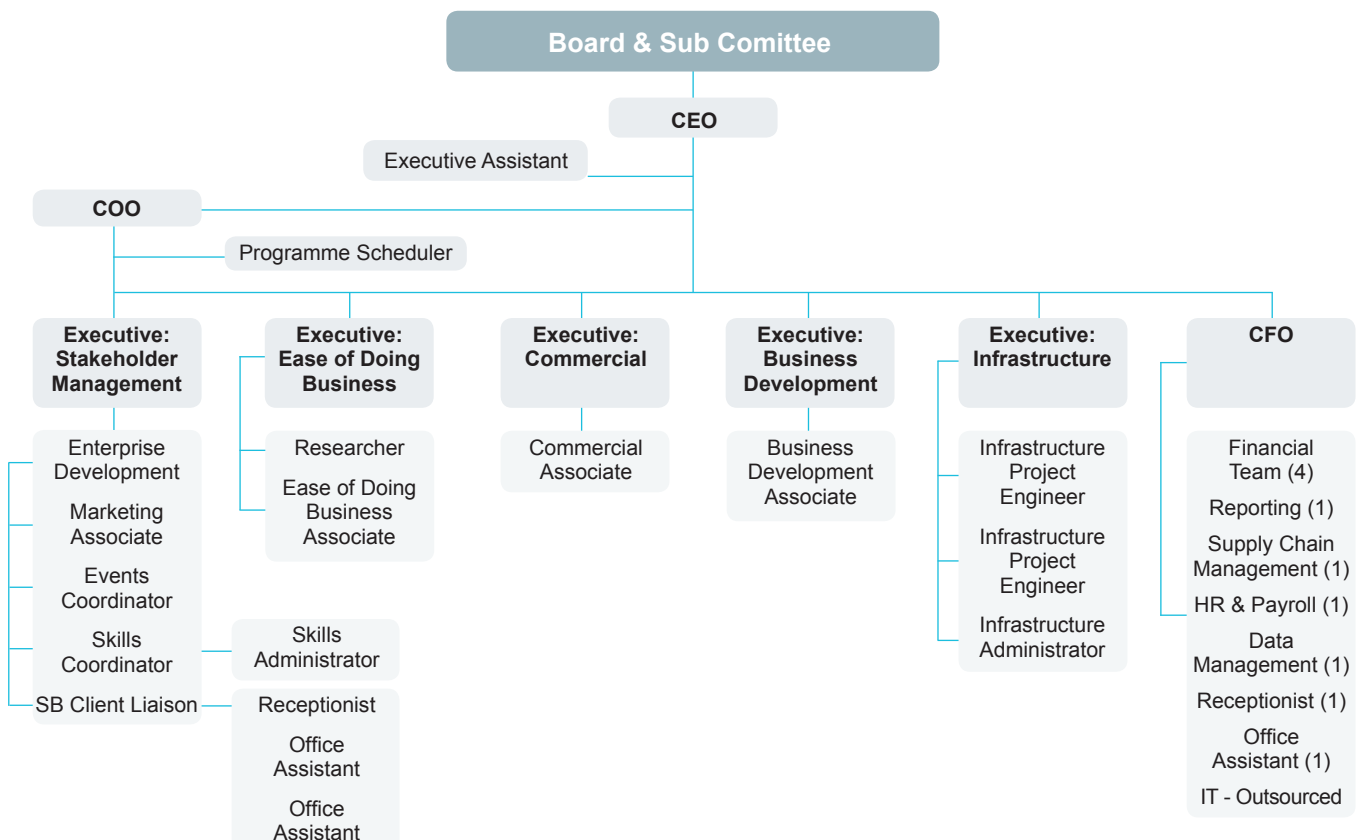
The LiCo is responsible for implementing the Strategic Plan for the Saldanha Bay IDZ within the Medium Term Strategic Framework of 2015-2019, supported by the National IDZ/SEZ strategy and Western Cape Provincial Infrastructure strategic planning.

In addition, the enactment of the LiCo's legislation, incorporating the LiCo, was assented to by the Premier of the Western Cape, on 31 March 2016.

The LiCo successfully applied to National Treasury to be listed as a Schedule 3D Provincial Government Business Enterprise. The notice confirming such status will be gazetted in due course.

The 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:

ORGANOGRAM



Part A: Strategic Overview

6 Strategic Outcome Oriented Goals

Strategic Outcome Oriented Goal	Promote sustainable economic growth and job creation
Goal Statement	To create an enabling environment to promote sustainable economic growth and job creation by: <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	Audited 2015/16	Estimated outcome 2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000
Operational expenditure	21,535	31,697	50,092	58,020	56,254	61,980
Capital expenditure	21,103	119,569	276,183	179,731	186,539	64,941
TOTAL EXPENDITURE	42,638	151,266	326,275	237,751	242,793	126,921
Staff Compliment			33			

High Level Budge: Administration

Description	Audited 2014/15	Audited 2015/16	Estimated outcome 2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000
Operational expenditure	10,320	14,465	19,332	19,047	20,289	22,634
Capital expenditure	2,327	1,182	100,272	631	678	752
TOTAL EXPENDITURE	12,647	15,647	119,604	19,678	20,967	23,386
Staff Compliment			11			

High Level Budget: Operations

Description	Audited 2014/15	Audited 2015/16	Estimated outcome 2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000
Operational expenditure	11,215	17,232	30,760	38,973	35,965	39,346
Capital expenditure	18,776	118,387	175,911	179,100	185,861	64,189
TOTAL EXPENDITURE	29,991	135,619	206,671	218,073	221,826	103,535
Staff Compliment			22			

7 Overview of 2017/18 Budget**7.1 Income and Expenditure Estimates**

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd					
	Outcome	Estimate Outcome	Medium-term estimate		
“Economic classification R'000”	Audited 2015/16	2016/17	2017/18	2018/19	2019/20
Revenue					
Non-tax revenue	150,422	326,275	237,751	242,793	126,921
Sale of goods and services other than capital assets			1,238	9,400	20,900
of which:					
Admin fees	22				
Rental income	-	-	1,238	9,400	20,900
Other non-tax revenue	37	23,264	20,457	12,600	8,845
Interest - Department of Economic Development and Tourism	37	923	457	600	845
Interest - Department of Trade and Industry		22,341	20,000	12,000	8,000
Transfers received	150,385	303,011	216,056	220,793	97,176
Other government units	150,385	303,011	216,056	220,793	97,176
Department of Economic Development and Tourism	29,119	130,224	46,956	41,932	35,987
Earmarked conditional grant	-	13,428	-	-	-
Department of Trade and Industry	118,471	153,170	159,100	173,861	56,189
Special Projects	2,795	6,189	10,000	5,000	5,000
Donations received	-	-	-	-	-
Total revenue	150,422	326,275	237,751	242,793	126,921

Part A: Strategic Overview

7.1 Income and Expenditure Estimates (Continued)

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd					
	Outcome	Estimate Outcome	Medium-term estimate		
“Economic classification R’000”	Audited 2015/16	2016/17	2017/18	2018/19	2019/20
Expenditure					
Current expenditure	31,697	50,092	58,017	56,254	61,980
Compensation of employees	17,244	19,661	23,742	25,374	28,144
Salary & Wages	17,244	19,661	23,742	25,374	28,144
Recruitment costs	-	-	-	-	-
Directors remuneration	-	-	-	-	-
Goods and services	14,453	30,431	34,275	30,880	33,836
Administrative fees	1,735	2,841	1,797	1,776	2,101
Advertising	399	3,329	2,058	2,199	2,439
Audit Fees	885	1,100	1,100	1,176	1,304
Catering services	405	360	298	318	352
Communication	114	311	224	239	265
Computer services	1,041	1,251	1,251	1,337	1,483
Consultants, contractors and special services	2,103	4,982	3,074	3,285	3,644
Consumables supplies	552	57	23	25	28
Entertainment	12	41	67	72	80
Equipment less than Capitalisation threshold	153	-	-	-	-
Legal fees	395	197	137	146	162
Maintenance and repairs	59	85	97	104	115
Operating leases	2,046	2,415	2,632	2,813	3,120
Owned/ leasehold and property exp. (Establishment Costs)	237	2,973	4,780	5,109	5,667
Printing and publication	230	363	479	512	568
Special Projects		6,189	10,000	5,000	5,000
Travel and Subsistence	2,499	3,185	3,703	3,958	4,390
Training and staff development	1,534	621	2,152	2,380	2,640
Venues and facilities	54	131	403	431	478
Capital Expenditure	119,569	276,183	179,734	186,539	64,941
Machinery and equipment	1,182	672	634	678	752
Bulk Infrastructure	118,387	175,511	179,100	185,861	64,189
Land	-	100,000	-	-	-
Total expenditure	151,266	326,275	237,751	242,793	126,921



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

The SBIDZ initiative is comprised of 2 programmes:

- Administration
- Operations

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 SBIDZ, providing a treasury function to ensure optimum spending and utilisation of financial resources within the SBIDZ.

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

Part B: Programme and Sub-programme Plans

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	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
1.1	Audit opinion from AGSA for the previous financial year	-	-	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

8.2 Performance Indicators and Annual Targets

Programme	Performance indicator	Audited / Actual performance			Estimated Performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
1.1	Unqualified Audit Report: Financial Statements	-	-	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report
1.2	Number of frameworks developed and implemented to monitor and manage co-operative agreements.	-	-	-	-	4 Frameworks implemented	4 Frameworks reviewed	4 Frameworks reviewed
1.3	Number of frameworks developed and implemented to monitor and manage tenant lease agreements	-	-	-	-	1 Framework implemented	1 Framework reviewed	1 Framework reviewed

8.3 Quarterly Targets

Performance indicator		PSG	Reporting period	Annual target 2017/18	Quarterly targets			
					1st	2nd	3rd	4th
1.1	Unqualified Audit Report: Financial Statements		Annual	Unqualified Audit Report	-	Unqualified Audit Report	-	-
1.2	Number of frameworks developed and implemented to monitor and manage co-operative agreements.	PSG 1	Annual	4 Frameworks implemented	-	-	-	4
1.3	Number of frameworks developed and implemented to monitor and manage tenant lease agreements	PSG 1	Annual	1 Framework implemented	-	-	-	1

8.4 Reconciling Performance Targets with the Budget

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd - Administration					
	Outcome	Estimate Outcome	Medium-term estimate		
“Economic classification R’000”	Audited 2015/16	2016/17	2017/18	2018/19	2019/20
Revenue					
Non-tax revenue	150,444	326,275	237,751	242,793	126,921
Sale of goods and services other than capital assets	22	-	1,238	9,400	20,900
of which:					
Admin fees	22	-	-	-	-
Rental Income	-	-	1,238	9,400	20,900
Other non-tax revenue	37	23,264	20,457	12,600	8,845
Interest - Department of Economic Development and Tourism	37	923	457	600	845
Interest - Department of Trade and Industry	-	22,341	20,000	12,000	8,000
Transfers received	150,385	303,011	216,056	220,793	97,176
Other government units	150,385	303,011	216,056	220,793	97,176
Department of Economic Development and Tourism	29,119	130,224	46,956	41,932	35,987
Earmarked conditional grant	-	13,428	-	-	-
Department of Trade and Industry	118,471	153,170	159,100	173,861	56,189
Special Projects	2,795	6,189	10,000	5,000	5,000
Donations received	-	-	-	-	-
Total revenue	150,444	326,275	237,751	242,793	126,921

Part B: Programme and Sub-programme Plans

8.4 Reconciling Performance Targets with the Budget (Continued)

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd - Administration					
	Outcome	Estimate Outcome	Medium-term estimate		
“Economic classification R’000”	Audited 2015/16	2016/17	2017/18	2018/19	2019/20
Expenditure					
Current expenditure	31,697	19,332	19,047	20,289	22,634
Compensation of employees	17,244	7,625	8,716	9,315	10,332
Salary & Wages	17,244	7,625	8,716	9,315	10,332
Recruitment costs	-	-	-	-	-
Directors remuneration	-	-	-	-	-
Goods and services	14,453	11,707	10,331	10,974	12,302
Administrative fees	1,735	2,841	1,654	1,623	1,931
Advertising	399	503	225	240	267
Audit Fees	885	1,100	1,100	1,176	1,304
Catering services	405	119	59	63	70
Communication	114	278	179	191	212
Computer services	1,041	1,152	951	1,016	1,127
Consultants, contractors and special services	2,103	1,518	1,294	1,383	1,534
Consumables supplies	552	57	23	25	27
Entertainment	12	2	3	3	4
Equipment less than Capitalisation threshold	153	-	-	-	-
Legal fees	395	161	94	100	111
Maintenance and repairs	59	75	87	93	103
Operating leases	2,046	2,415	2,488	2,659	2,949
Owned/ leasehold and property exp. (Establishment Costs)	237	342	360	385	427
Printing and publication	230	321	426	455	505
Professional bodies and membership fees	-	-	-	-	-
Travel and Subsistence	2,499	441	457	488	542
Training and staff development	1,534	382	931	1,074	1,189
Venues and facilities	54	-	-	-	-
Capital Expenditure	119,569	100,272	631	678	752
Machinery and equipment	1,182	272	631	678	752
Land		100,000			
Bulk Infrastructure	118,387	-	-	-	-
Total expenditure	151,266	119,604	19,678	20,967	23,386

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 and Fabrication industries.

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
 - Innovation

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

Ease of Doing Business

Given the strategic imperative of being able to service the end-user market in a manner that exceeds the current available market offerings in Africa, one of the most significant drivers of the SBIDZ is an 'ease of doing business' approach to servicing investors, which includes:

- Ensuring the ease of access to a world class facility,
- Developing a Freeport,
- Providing a seamless flow of goods and people into the SBIDZ, and
- Housing service providers to ensure efficient and world-class services are provided to

Part B: Programme and Sub-programme Plans

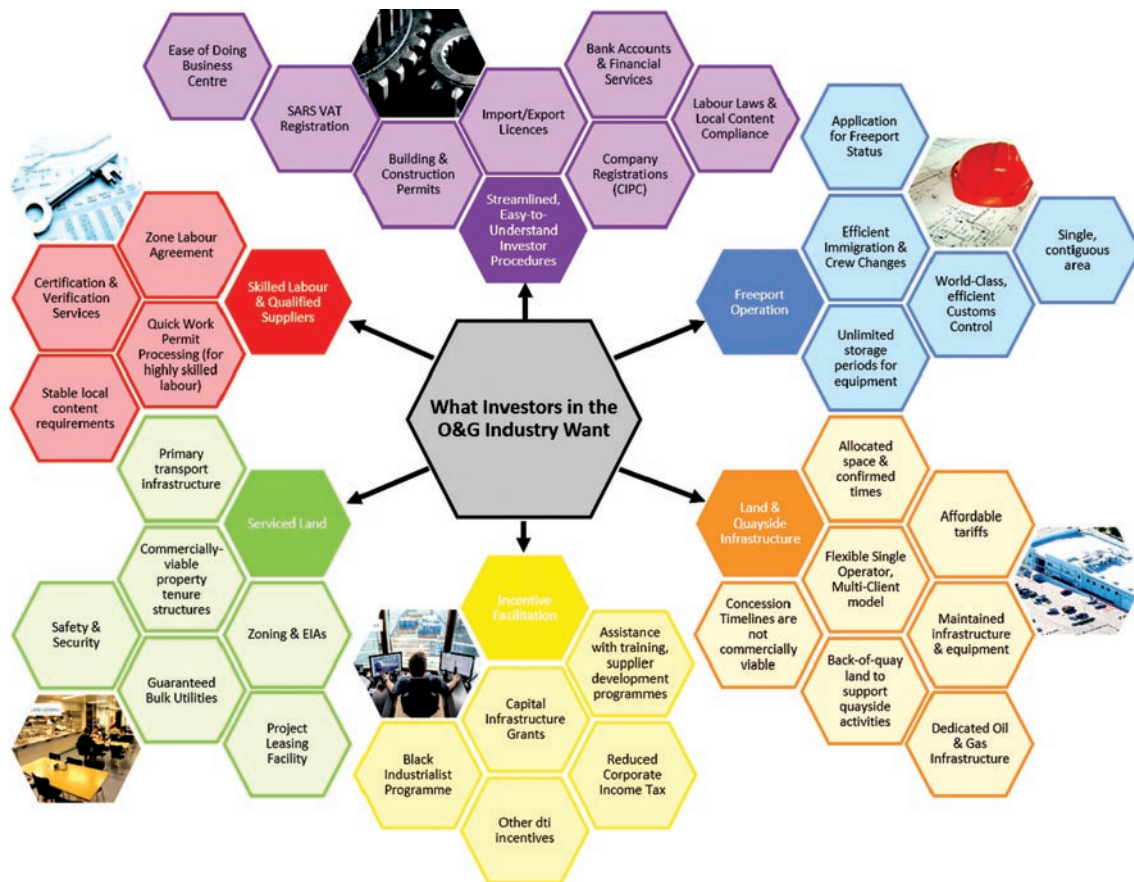


Figure 6: Structure of EoDB Access Components

The LiCo has recently concluded the “5x5 Voice of the Customer Global Best Practise Benchmark Survey” which has provided crucial input into our Ease of Doing Business Framework, which guides the implementation of the approach.

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.

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 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 SBIDZ 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 2017/18 FY, and therefore the current Corporate Plan target links to the signing of right of first refusals and NDAs at this juncture.

Part B: Programme and Sub-programme Plans

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

Commercial Management

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

Investor Leasing

Given that the first investor is expected to locate in the SBIDZ in FY2017/18, the commercial function 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.

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.

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.

Part B: Programme and Sub-programme Plans

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	SBIDZ Access and Security Complex	March 2018	R70.00
	SBIDZ Shared Services Centre	September 2018	R34.50
SUB-TOTAL			R442.00
Phase 2: Development of the Port land	Servicing of land: roads, various internal services	March 2018	R283.00
	Investor Specific Top Structures	September 2018	R17.00
SUB-TOTAL			R300.00
TOTAL			R742.00

The DTI has approved the R742m from the SEZ fund.

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

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 and 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 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 Corporate Plan 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 and 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 DTI, CHIETA 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)
- Recognition of prior Learning (RPL)
- Engineering & Construction related skills programmes (SEZ Fund & MERSETA)
- Learnerships, Apprenticeships and Short Skills in the Oil & Gas Sector (CHIETA)
- Career Awareness
- Logistics, safety, hydraulics and pneumatics (TETA)

Enterprise Development

As with skills development, the 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 10 local organisations.

The IDZ enterprise development unit will continuously focus on implementing systems and interventions that will assist specific local enterprises in becoming “business ready” to support SBIDZ investors.

Innovation Campus

In addition, the Stakeholder Management 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 and Fabrication industries. The first step of the development of the Innovation Campus would be to develop a bankable Feasibility Study which identifies key requirements, needed value propositions and key partners. This is the targeted goal for this work stream for the financial year.

Part B: Programme and Sub-programme Plans

9.1 Strategic Objectives and Annual Targets

Strategic Objective 2.1	To establish a Special Economic Zone within the great SBM area
Objective Statement	4 131 direct and 1 889 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	Medium-term targets		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
2.1 Number of jobs facilitated within the Western Cape Province as a result of the SBIDZ	-	-	7	46	425	893	4131

9.2 Performance Indicators and Annual Targets

Programme Performance indicator	Audited / Actual performance			Estimated Performance	Medium-term targets		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
2.1 Number of EoDB frameworks	-	-	-	Completed Framework	7	-	-
2.2 Number of retained NDAs or right of first refusals with potential investors	-	-	-	5	34	34	34
2.3 Number of cumulative signed tenants with the SBIDZ	-	-	-	0	3	9	18
2.4 Percentage of land occupied	-	-	-	0	5%	10%	15%
2.5 Number of tenant lease agreements designed and approved	-	-	-	0	3	1	1
2.6 Develop an estate financial model to manage lease agreements	-	-	-	0	1	-	-

Part B: Programme and Sub-programme Plans

9.2 Performance Indicators and Annual Targets (Continued)

Programme Performance indicator		Audited / Actual performance			Estimated Performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
2.7	Completion of infrastructure phases	-	-	-	0	Phase 1a: Bridge and site clearance	Phase 1a: Generic top structures Phase 1b: Selected buildings Phase 2: Port land development	
2.8	Number of beneficiaries participating in the skills development programme per annum	-	-	-	520	520	520	520
2.9	Number of agreements concluded and maintained with key stakeholders	-	-	-	0	5	10	15
2.10	Drafting of a labour zone arrangement	-	-	-	-	1 Framework	50% Agreement	100% Agreement
2.11	Completion of the Innovation Campus Feasibility Study	-	-	-	-	1	-	-

9.3 Quarterly Targets

Performance indicator		PSG	Reporting period	Annual target 2017/18	Quarterly targets			
					1st	2nd	3rd	4th
2.1	Number of EoDB frameworks	PSG 1	Annual	7	-	-	-	7
2.2	Number of retained NDAs or right of first refusals with potential investors	PSG 1	Quarterly	34	34	34	34	34
2.3	Number of cumulative signed tenants with the SBIDZ	PSG 1	Annual	3	-	-	-	3
2.4	Percentage of land occupied	PSG 1	Annual	5%	-	-	-	5%
2.5	Number of tenant lease agreements designed and approved	PSG 1	Annual	3	-	-	-	3
2.6	Develop an estate financial model to manage lease agreements	PSG 1	Annual	1	-	-	-	1

Part B: Programme and Sub-programme Plans

9.3 Quarterly Targets (Continued)

Performance indicator	PSG	Reporting period	Annual target 2017/18	Quarterly targets			
				1st	2nd	3rd	4th
2.7 Completion of infrastructure phases	PSG 1	Annual	Phase 1a Bridge and site clearance	-	-	-	Phase 1a Bridge and site clearance
2.8 Number of beneficiaries participating in the skills development programme per annum	PSG 1	Annual	520	-	-	-	520
2.9 Number of agreements concluded and maintained with key stakeholders	PSG 1	Annual	5	-	-	-	5
210 Drafting of a labour zone arrangement	PSG 1	Annual	1 Framework	-	-	-	1
211 Completion of the Innovation Campus Feasibility Study	PSG 1	Annual	1	-	-	-	1

9.4 Reconciling Performance Targets with the Budget

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd - Operations					
	Outcome	Estimate Outcome	Medium-term estimate		
“Economic classification R’000”	Audited 2015/16	2016/17	2017/18	2018/19	2019/20
Revenue					
Non-tax revenue	-	-	-	-	-
Sale of goods and services other than capital assets					
of which:					
Admin fees					
Other non-tax revenue	-	-	-	-	-
Interest - Department of Economic Development and Tourism					
Interest - Department of Trade and Industry					
Transfers received	-	-	-	-	-
Other government units	-	-	-	-	-
Department of Economic Development and Tourism					
Department of Trade and Industry					
Donations received					
Total revenue	-	-	-	-	-

9.4 Reconciling Performance Targets with the Budget (Continued)

Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company (SOC) Ltd - Operations					
	Outcome	Estimate Outcome	Medium-term estimate		
“Economic classification R’000”	Audited 2015/16	2016/17	2017/18	2018/19	2019/20
Expenditure					
Current expenditure	-	30,760	38,973	35,965	39,346
Compensation of employees	-	12,036	15,026	16,059	17,812
Salary & Wages	-	12,036	15,026	16,059	17,812
Recruitment costs	-	-	-	-	-
Directors remuneration	-	-	-	-	-
Goods and services	-	18,724	23,947	19,906	21,534
Administrative fees	-	-	143	153	170
Advertising	-	2,825	1,833	1,959	2,173
Audit Fees	-	-	-	-	-
Bank charges	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-
Catering services	-	241	239	255	283
Communication	-	33	45	48	53
Computer services	-	100	300	321	356
Consultants, contractors and special services	-	3,463	1,780	1,902	2,110
Consumables supplies	-	-	-	-	-
Entertainment	-	39	64	68	76
Equipment less than Capitalisation threshold	-	-	-	-	-
Legal fees	-	36	43	46	51
Maintenance and repairs	-	10	11	12	13
Operating leases	-	-	144	154	171
Owned/ leasehold and property exp. (Establishment Costs)	-	2,631	4,420	4,724	5,239
Printing and publication	-	41	53	57	63
Special projects	-	6,189	10,000	5,000	5,000
Travel and Subsistence	-	2,744	3,247	3,470	3,849
Training and staff development	-	241	1,222	1,306	1,449
Venues and facilities	-	131	403	431	478
Capital Expenditure	-	175,911	179,100	185,861	64,189
Machinery and equipment	-	400	-	-	-
Bulk Infrastructure	-	175,511	179,100	185,861	64,189
Land	-	-	-	-	-
Total expenditure	-	206,671	218,073	221,826	103,535

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 made 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.

Risk Management

Risk management is incorporated into the management of each section within the SBIDZ LiCo. The following policies and documentation are in place to assist in risk management.

- Shareholder's Compact
- Board and Committee Charters
- Materiality Framework
- Risk Assessment
- Financial Regulations
- Delegation of Power
- Personnel
- Procurement
- I.T. Policy
- Budget
- Memoranda of Agreement and Service Level Agreements
- Fraud Prevention Plan

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 the Zone being developed 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.

In the interim, following the initial up-front investment of R442 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 3% of projected expenses at that point in time. Thereafter, income will continue to increase, based on investor uptake.

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 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 A

ANNEXURE A: TECHNICAL INDICATOR DEFINITIONS

PROGRAMME: ADMINISTRATION

Strategic Objective Performance Indicator 1.1	Audit opinion from AGSA for the previous financial year
Short definition	The AGSA conducts their annual audit on various transactions to ensure that all governance arrangements are in place, in order for the SBIDZ LC to obtain an unqualified audit opinion.
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	The signed off audit report by the AGSA
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 1.2	Number of frameworks developed and implemented to monitor and manage co-operative agreements
Short definition	To ensure that the required conditions relating to the agreements signed with IDC, TNPA, Afrisam and SBM are effectively monitored.
Purpose/importance	To ensure the entity delivers on its mandate
Source/collection of data	Agreements and subsequent reports
Method of calculation	Simple Count
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Chief Financial Officer

Programme Performance Indicator 1.3	Number of frameworks developed and implemented to monitor and manage tenant lease agreements
Short definition	To ensure that the required conditions relating to the tenant lease agreements are effectively monitored.
Purpose/importance	To ensure the entity delivers on its mandate
Source/collection of data	Agreements and subsequent reports
Method of calculation	Simple Count
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Chief Financial Officer

PROGRAMME: OPERATIONS

Strategic Objective Performance Indicator 2.1	Number of jobs facilitated within the Western Cape Province as a result of the SBIDZ
Short definition	Facilitation of direct and indirect jobs
Purpose/importance	Demonstrates job creation due to the successful establishment of the SBIDZ
Source/collection of data	Statistical data from the Economic Model
Method of calculation	Direct and indirect jobs created that can be directly attributed to the economic impact of the SBIDZ initiative
Data limitations	Require information from consultants
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	CEO

Programme Performance Indicator 2.2	Number of EoDB frameworks
Short definition	Number of Frameworks completed relating to SARS, Home Affairs, TNPA, Labour, SAPS, SBM and WCG
Purpose/importance	<p>SARS – Custodian of CCA Permit necessary for “Freeport” status and operation. Administering body of SEZ tax incentives. Access and control protocols.</p> <p>Home Affairs – Seamless flow of people in and out of the zone is required. (visas, work permits, immigration)</p> <p>TNPA – Port services. TNPA is responsible for all activities in the water, up until the quayside.</p> <p>Labour – Facilitation of labour protocols.</p>

Annexure A

Programme Performance Indicator 2.2	Number of EoDB frameworks
	SAPS – Security SBM – Agreement on processes and protocols. WCG – DEDAT on operation Khulisa Oil & Gas, for the EoDB deliverable.
Source/collection of data	5x5Voice of the Customer Global Best Practice Project
Method of calculation	Each completed framework will count as one
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Ease of Doing Business

Programme Performance Indicator 2.3	Number of retained NDA's or right of first refusals with potential investors
Short definition	To retain the signed right of first refusals and NDA's from interested investors in the Oil and Gas and Marine Repair Cluster, with the SBIDZ.
Purpose/importance	To retain the interest of the potential investor, 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 on retaining the interest of the potential investor
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 2.4	Number of signed tenants with the SBIDZ
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	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

Programme Performance Indicator 2.4	Number of signed tenants with the SBIDZ
Desired performance	To achieve target as indicated or higher performance
Indicator responsibility	Executive: Business Development

Programme Performance Indicator 2.5	Percentage of land occupied
Short definition	Number of hectares occupied from the total IDZ land
Purpose/importance	Land occupied by tenants will result in revenue generation
Source/collection of data	TNPA land lease agreement, property deed, 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: Business Development

Programme Performance Indicator 2.6	Number of tenant lease agreement designed and approved
Short definition	Design and approve tenant lease agreements for sub-leased land and for land owned by the SBIDZ
Purpose/importance	To provide a best practice agreement to sign with all types of tenants
Source/collection of data	SBIDZ approved tenant lease template
Method of calculation	Each approved tenant lease template will count as one
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 2.7	Develop an estate financial model to manage lease agreements
Short definition	Develop and approve a financial leasing model
Purpose/importance	To provide a best practice financial model to determine leasing rates and costs.
Source/collection of data	SBIDZ approved financial model
Method of calculation	Simple Count
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	Yes

Annexure A

Programme Performance Indicator 2.7	Develop an estate financial model to manage lease agreements
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Commercial

Programme Performance Indicator 2.8	Completion of infrastructure phases
Short definition	Completion of phase 1a of the infrastructure development which includes the bridge and site clearance.
Purpose/importance	To provide structures in the zone for the self-sustainability of the SBIDZ in the medium – long term
Source/collection of data	Bridge completion certificate
Method of calculation	Qualitative
Data limitations	None
Type of indicator	Output
Calculation type	None Cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve target as indicated
Indicator responsibility	Executive: Infrastructure Development

Programme Performance Indicator 2.9	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	Each Beneficiary registered in a development programme will count as one
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 2.11	Number of agreements concluded with key stakeholders
Short definition	Number of MOU's or MOA's concluded with key stakeholders, such as GCIS, Transnet, and the private sector.
Purpose/importance	Facilitate improvements with communications and socio-economic goals of the SBIDZ.

Programme Performance Indicator 2.11	Number of agreements concluded with key stakeholders
Source/collection of data	Signed agreements
Method of calculation	Each signed agreement will count as one
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

Programme Performance Indicator 2.12	Drafting of a labour zone arrangement
Short definition	Design and approve a labour zone agreement framework
Purpose/importance	To provide a best practice labour zone agreement, to sign with all tenants
Source/collection of data	SBIDZ approved labour zone agreement framework
Method of calculation	Approved agreement will count as one
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 Management

Programme Performance Indicator 2.13	Completion of the Innovation Campus pre-feasibility study
Short definition	Complete the pre-feasibility study
Purpose/importance	To develop a bankable feasibility study which identifies key requirements, needed value propositions, and key partners
Source/collection of data	Completed pre-feasibility study
Method of calculation	Completed pre-feasibility study will count as one
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 Management



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

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