



**SALDANHABAY**  
INDUSTRIAL DEVELOPMENT ZONE

# CORPORATE PLAN 2022 / 23

Saldanha Bay IDZ  
Licencing Company  
SOC Ltd

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## EXECUTIVE AUTHORITY STATEMENT

The Saldanha-Bay Industrial Development Zone Licensing Company (SBIDZ-LC) is commended for weathering the storm of the Covid-19 global pandemic over the last two years.

The SBIDZ's five-year Strategic Plan sets out a plan to become fully operationalised and commercially sustainable while continuing to be a catalyst for growth in the Western Cape.

The plan reflects the current economic, fiscal and societal contexts in South Africa as well as the entity's alignment and responsiveness to the Western Cape's Recovery Plan's three pillars - Jobs, Safety and Wellbeing.

Furthermore, these priorities are underpinned by a culture that encourages innovation and embeds the principles of good governance, collaboration and partnerships

with the private sector and civil society. This plays a pivotal role in delivering more efficient and effective services to ensure that we meet the needs of those living in the Western Cape.

I wish to acknowledge and thank the SBIDZ-LC Board and the Executive Management team under the leadership of Mrs Kaashifah Beukes for great resilience, agility and hard work during these challenging times.



**Mr David Maynier**  
**Minister of Finance and Economic Opportunities**

# ACCOUNTING AUTHORITY STATEMENT

The SBIDZ 5-year Strategic Plan sets the long-term vision for the company, in repositioning the oil, gas and marine SBIDZ into a maritime and energy services centre and shipyard. Despite the challenges brought about by the Covid 19 pandemic the plan remains relevant, emphasizing the sound and robust analysis followed in developing it. The Strategic Plan sets four strategic priorities for the 2020 to 2025 term in its business framework, which are equally reactive and deliberate to leading where the Board aims to go and how it intends to get there.

Firstly, to fully operationalise and become commercially sustainable by 1 April 2023. This commitment is captured in the Shareholder's Compact for the 2021/22 Financial Year entered into between the Shareholder and the Board, which critically bound the parties to do what is necessary to achieve breakeven of the company by the said date. Practically this means aggressive development of a robust investor pipeline as well as faster conversion of that pipeline while being aware of the risks in the investment environment and dealing with them without placing any liability on the Western Cape Government.

Secondly, to continue to provide catalytic, growth enabling and accessible infrastructure and facilities to zone tenants and operators that opens markets and builds resilience. The continuity of government funding through the SEZ Fund is pivotal to achieving our priorities in this regard over the next 5 years. Additionally, due to the fact that a significant portion of our investor pipeline is reliant on being able to access suitable port infrastructure, future investment in port infrastructure, enabled through diligent project packaging and preparation for financing and implementation is vital. To realise this

the SBIDZ has to and is taking an active and collaborative role in driving the development of key port infrastructure to unlock our inland investor pipeline. To this end a cost benefit analysis confirming viability of the new port infrastructure project and the project is now registered with the Infrastructure South Africa office in the Presidency.

Thirdly, to continue to secure ethical and effective business, government and society partnerships that facilitates investments, participation, and a conducive business environment. Key to these partnerships is our relationship with the Transnet group particularly TNPA our landlord. The current landlord/tenant arrangement has been a drag on the development of the SBIDZ and port alike and should be replaced with an arrangement that takes account of market requirements to thrive. Therefore, the company in the past financial year has been exploring an arrangement with Transnet that would free up critically needed cashflow to fund offsets and invest in the zone to secure the Company's future, and this will continue to be a focus area for this financial as well.

This is with the objective of evolving the partnership into one that is anchored on a shared vision to co-develop port infrastructure with the goal of achieving economic benefit for the country as a whole.

Fourthly, to ensure local communities and businesses are engaged, and effectively supported with practice and knowledge to compete regionally and globally. Through various engagements, the SBIDZ-LC has succeeded in establishing positive work relationships with the majority of the local business formations active within the Saldanha Bay municipal area.

Through initiatives such as the Infrastructure Project Management Team (PMT), the SBIDZ-LC will continue to assist with developing a local pool of reliable contractors that are capable of participating in large and complex SBIDZ infrastructure projects. And from a community perspective, through initiatives such as Talks on Oil and Gas Industry (TOGASI) and Operation Phakisa Marine Manufacturing Skills Working Group, the SBIDZ-LC will continue to advance and ensure an integrated oil and gas and maritime skills development and training.

These strategic priorities have been incorporated into management's performance management system under eight (8) business goals within a balanced scorecard approach. This underscore both the Board's and management's commitment to ensure that the Company achieves its developmental objectives to stimulate economic growth and job creation in the Saldanha Bay area.

In closing, I would like to extend a special gratitude for the massive support we receive from our shareholder, the Western Cape Department of Economic Development and Tourism under the leadership of Minister David Maynier and from his department, Head of Department Mr Solly Fourie, Ms Jo-Anne Johnston and Mr Herman Jonker.

I wish to thank the Board, its Committees, and our Executive Management team, under the capable leadership of our CEO Mrs Kaashifah Beukes. A special thank you to my Deputy Chairperson Johann Stegmann for being there as a sounding board and guide in the challenging environment we operate under. I would like to wish everyone all of the best as we strive for commercial sustainability and growth in the coming years.

I would like to thank the following key partners who continue to give us the support we need to ensure we achieve our goals: the Saldanha Bay Municipality, in particular the Municipal Manager Mr Heinrich Mettler and his team; the Department of Trade, Industry and Competition for their unwavering support during the financial year; Transnet as we work together in ensuring an integrated approach to developing the SBIDZ and the Port; and the provincial government (DEDAT, DTPW, the Provincial Treasury and Department of Health).



**Thembisile Salman**  
Chairperson of the Board

## OFFICIAL SIGN-OFF

It is hereby certified that this Corporate Plan:

- Was developed by the management of the Saldanha Bay IDZ Licencing Company SOC Ltd, under the guidance of the Board and Shareholder Representative, Minister David Maynier, Minister of Finance and Economic Opportunities.
- Was prepared in line with the current Strategic Plan of the Saldanha Bay IDZ Licencing Company SOC Ltd.
- Accurately reflects the performance targets which the Saldanha Bay IDZ Licencing Company SOC Ltd will endeavour to achieve, given the resources made available in the budget for 2022/23.

**Mr Doug Southgate**  
**Chief Operations Officer**



Signature:

**Mr Herman Boneschans**  
**Chief Financial Officer**




Signature

**Mrs Kaashifah Beukes**  
**Chief Executive Officer**



Signature

**Mr Thembisile Salman**  
**Accounting Officer**



Signature

**Minister David Maynier**  
**Executive Authority**



Signature

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## LIST OF ABBREVIATIONS/ ACRONYMS

AGSA	Auditor-General of South Africa
CCA	Customs Control Area
CCAЕ	Customs Control Area Enterprise
CHIETA	Chemical Industries Education and Training Authority
CSIR	Council for Scientific and Industrial Research
DEA&DP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DDM	District Development Model
DLG	Department of Local Government
DOE	Department of Energy
DST	Department of Science and Technology
DTIC	Department of Trade Industry and Competition
EIA	Environmental Impact Assessment
EIR	Environmental Impact Report
EoDB	Ease of Doing Business
ESSA	Employment Services System of South Africa
FDI	Foreign Direct Investment
GCIS	Government Communication and Information System
GDP	Gross Domestic Product
GGP	Gross Geographic Product
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
IDZ	Industrial Development Zone
IMO	International Maritime Organisation
ISPS	International Ship and Port Security
KPI	Key Performance Indicator
SBIDZ-LC	Saldanha Bay IDZ Licencing Company SOC Ltd
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
OECD	Organisation for Economic Cooperation and Development
O&G	Oil & Gas
OSSB	Offshore Supply Base
PASA	Petroleum Agency South Africa
PFMA	Public Finance Management Act
PICC	Presidential Infrastructure Coordinating Commission
PT	Provincial Treasury
RIIS	Research Institute for Innovation and Sustainability
RoFR	Right of First Refusal
RPL	Recognition of Prior Learning
SAIMI	South African International Maritime Institute
SAMREF	South African Marine Research and Exploration Forum
SAOGA	South African Oil and Gas Alliance
SAPS	South African Police Service
SARS	South African Revenue Services
SBIC	Saldanha Bay Innovation Campus
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
T&IS	Transaction and Investor Support
TETA	Transport Education and Training Authority
TNPA	Transnet National Ports Authority
TPT	Transnet Ports Terminal
UNCTAD	United Nations Conference on Trade and Development
WCMD	West Coast District Municipality
WCG	Western Cape Government
WIR	World Investment Report
WoSA	Whole of Society Approach





**A**

**OUR  
MANDATE**

# PART A: OUR MANDATE

## 1 Constitutional mandate

### Constitution of the Republic of South Africa, 1996; Constitution of the Western Cape, 1997

The SBIDZ is linked to both the Constitution of the Republic of South Africa, 1996 and the Constitution of the Western Cape, 1997. In terms of Schedule 4 of the Constitution of the Republic of South Africa “industrial promotion” is a functional area of concurrent national and provincial legislative competence. The SBIDZ is a component of the “industrial promotion” functional area.

Section 81 of the Constitution of the Western Cape, 1997 provides that the Western Cape Government must adopt and implement policies to actively promote and maintain the welfare of the people of the Western Cape, including policies aimed at achieving the creation of job opportunities and the promotion of a market-orientated economy. The SBIDZ fulfils the purpose of a Special Economic Zone within the greater Saldanha Bay area and ensures compliance with the Constitution of the Western Cape by continuing to catalyse growth and development through the provision of an enabling, inclusive environment and to fully operationalise and become commercially sustainable.

## 2 Legislative and policy mandates

### *2.1 National legislative mandates*

#### Special Economic Zones Act, 2014 (Act 16 of 2014)

The purpose of the Special Economic Zones Act, 2014 (Act 16 of 2014) (SEZ Act) is to provide for the designation, promotion, development, operation and management of Special Economic

Zones, which includes the establishment of a provincial business enterprise to manage each SEZ. The SEZ Act also provides for the functions of the Special Economic Zones operator.

In terms of the SEZ Act, the SBIDZ is an economic development tool to promote national economic growth and export by using support measures in order to attract targeted foreign and domestic investments and technology. The purpose of the SBIDZ includes-

- attracting foreign and domestic direct investment;
- providing the location for the establishment of targeted investments;
- taking advantage of existing industrial and technological capacity, promoting integration with local industry and increasing value-added production;
- promoting regional development;
- creating decent work and other economic and social benefits in the region in which it is located, including the broadening of economic participation by promoting small, micro and medium enterprises and co-operatives, and promoting skills and technology transfer; and
- the generation of new and innovative economic activities.

The SBIDZ, as per its designation initially sought, is intended to be an oil and gas and marine repair engineering and logistics services complex, serving the needs of the upstream exploration and production service companies operating in the oil and gas fields in Sub Saharan Africa. The SBIDZ will include logistics, repairs and maintenance, as well as fabrication activities. The IDZ designation will also afford the SBIDZ the ability to offer a contiguous customs-free area. The SBIDZ-LC is the implementing vehicle of the SBIDZ and will be responsible for the provision of infrastructure, promotion, management and marketing of the IDZ.

### **Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003), as amended by the BBBEE Amendment Act, 2013 (Act 45 of 2013)**

The Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003) establishes a legislative framework for the promotion of black economic empowerment. Our vision is to promote sustainable economic growth and job creation within the broader Saldanha Bay Municipality (SBM). The SBIDZ-LC has embraced the principles and objectives as set out in the BBBEE Act and Codes of Good Practice through the implementation of various enterprise, skills and supplier development interventions programs.

The regulatory framework for the Industrial Development Zone programme is furthermore enhanced by the following legislation:

- Section 21A of the Customs and Excise Act, 1964 (Act 91 of 1964).
- 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.

## **2.2 Provincial legislative mandates**

### **Saldanha Bay Industrial Development Zone Licencing Company Act, 2016 (Act 1 of 2016)**

In 2016 the Provincial Parliament of the Western Cape passed the Saldanha Bay Industrial Development Zone Licencing Company Act, 2016 (Act 1 of 2016). The Act regulates the operation of the entity and provides for the objects, functions, and governance of the entity. In terms of the Act, the objects of the entity are to establish and fulfil the purpose of a SEZ within the greater Saldanha Bay area, including, but not limited to—

- (a) promoting, managing and marketing the SBIDZ;
- (b) providing internal infrastructure in the SBIDZ area;
- (c) facilitating the ease of doing business in the SBIDZ area; and
- (d) acquiring and leasing land incidental to the Company's business.

### **Western Cape Investment and Trade Promotion Agency Law, 1996 (Act 3 of 1996) as amended by the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013)**

Wesgro was established to promote and support economic growth and related activity within the Western Cape Province, thus facilitating job creation by creating and keeping more businesses in the Western Cape as well as helping local companies to export to the rest of the African continent and the world. In line with the national InvestSA Initiative, the Department of Economic Development through its trade and promotion agency Wesgro has established the Cape Investor Centre. In light of the sector specific competencies of Wesgro and the SBIDZ-LC, and both parties' desire to be a contributing agency in providing services to the Cape Investor Centre, Wesgro and the SBIDZ-LC have agreed to collaborate and co-operate with each other in providing services at the Cape Investor Centre for the purpose of creating an enabling investor environment.

## **2.3 National policy context**

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

- The National Development Plan
- The South African Economic Reconstruction and Recovery Plan
- The Draft National Infrastructure Plan 2050 (SIP 5)
- The Reimagined Industrial Strategy
- The Presidential Infrastructure Coordinating Commission (PICC) Rollout Programme
- The Industrial Policy Action Plan
- Operation Phakisa Oceans Economy
- National Infrastructure Plan (SIP5)

### **2.3.1 Overarching Policy Environment**

#### **National Development Plan: Vision 2030**

The National Development Plan: Vision 2030 (NDP) states that the guiding principle of the

plan is to “eliminate poverty and to sharply reduce inequality” and focus on inclusivity in the economy. Three of the top four policy proposals (of nine listed) in the NDP are directly addressed through the SBIDZ. These are:

- “create jobs and livelihoods”;
- “expand infrastructure”; and
- “transform urban and rural spaces”.

### 2.3.2 Leading Economic Policy

#### The South African Economic Reconstruction and Recovery Plan

On 15 October 2020 President Ramaphosa tabled the Economic Reconstruction and Recovery Plan (ERRP) at a joint sitting of Parliament. The ERRP is the culmination of work between government, business, labour and community at NEDLAC, and includes key commitments from each stakeholder to achieve its objectives.

The Plan includes measures to:

- Achieve sufficient, secure and reliable energy supply within two years.
- Create mass employment.
- Increase infrastructure investment.
- Reduce data costs.
- Increased localisation for reindustrialisation and growth.

#### The Draft National Infrastructure Plan 2050 (NIP 2050)

During August 2021, the Department of Public Works and Infrastructure (DPWI) gazetted the draft NIP 2050 for public comment. The NIP 2050 was prepared by Infrastructure South Africa (ISA) team over a period of six months working closely with sector specialists and other stakeholders.

Infrastructure development is critical to attaining South Africa’s long-term economic and social goals. The NIP 2050 will ensure that the foundations for achieving the NDP vision for inclusive growth are supported. The NIP 2050 offers a strategic vision and plan that links top NDP objectives to actionable steps and intermediate outcomes. The aim is to promote dynamism in infrastructure delivery and address institutional blockages and weaknesses that hinder success over the longer term. Additionally, the NIP 2050 will guide the way to building stronger

institutions that can deliver on infrastructure related aspirations of the NDP.

The draft NIP 2050 recommends that to accelerate progress on South Africa’s development objectives, there should be a focus on strengthening:

- State-Owned Enterprises performance.
- Sector specific regulation.
- State capacity; and
- Private participation in public infrastructure delivery and management.

The draft NIP 2050 seeks to identify the most critical actions needed for sustained improvement in public infrastructure delivery that will have impact in the short term but with the longer-term outcomes in view. In this first iteration, the NIP 2050 will focus on the critical network infrastructure sectors of: energy, freight transport, water, and digital communications. A second-round NIP 2050 will extend to distributed infrastructure and related municipal services.

The draft NIP 2050 continues to list the advancement of the Saldanha-Northern Cape development corridor, including integrated rail and port expansion as well as improving back of port industrial capacity as a top priority Strategic Integrated Project (SIP), which it has been since the advent of the SIP programme within SIP5.

#### New Growth Path (NGP)

The core drive of the New Growth Path (NGP) is the creation of employment in order to combat poverty and inequality in an inclusive economy and of the four areas of “drivers”, with the “Jobs Drivers” being number one. Similar to the NDP, infrastructure is highlighted as a key priority. The NGP also refers to the sectors prioritised in the Industrial Policy Action Plan.

##### 2.3.2.1 Industrial Policy

#### Reimagined Industrial Strategy

The dtic did not develop a new annual Industrial Policy Action Plan (IPAP) for 2020/21 financial year due to the shift in Industrial Policy initiated by the Department. This shift in Industrial Policy is articulated in the new Reimagined Industrial Strategy (RIS).



The 6th South African Democratic Administration under leadership of President Ramaphosa has stressed the importance of policy implementation as a central feature over the next 5 years. To this end, in June 2019, Cabinet endorsed the RIS. The RIS underlines the role of the state in changing the growth trajectory of the South African economy through supporting improved industrial performance, dynamism and competitiveness. A key pillar of the RIS is the development of Masterplans and central to these Masterplans is a strong social compact between government, industry, and organised labour, where each social partner commits to implement concrete interventions to transform and build the economy.

Masterplans are currently at various stages of development and each Masterplan will be led by an identified National Department. The common theme that is to be entrenched in each Masterplan is "transformation", with an emphasis on driving industry transformation by supporting new and emerging entrants to the market, particularly black industrialists, the youth, and women. The process to develop a Masterplan includes:

- A Comprehensive review of the South African value chain's present position and policies.
- Completing an industry SWOT and drawing lessons from international successes.
- Developing policy and regulation recommendations for government.
- Proposing programmes for collective action (industry, government and labour).
- Developing development targets for industry; and
- Establishing an institutional structure to drive implementation.

Once developed, Executive Oversight Committees (EOCs) and Industry Reference Groups (IRGs) will be set up to monitor the implementation of the commitments reflected in each Master Plan. Currently the dtic is responsible for the development and execution of the following Master Plans:

- Car Manufacturing.
- Clothing, textile, leather and footwear.
- Poultry.

- Sugar.
- Steel and Furniture; and
- Chemicals and Plastics.

Additional Master Plans, such as the Oceans Economy Masterplan, is currently in development led by the Department of Forestry, Fishing and Environment (DFFE).

### Industrial Policy Action Plan (IPAP)

The dtic's Industrial Policy Action Plan (IPAP) signals the country's industrial policy intentions as a practical outflow of the National Industrial Policy Framework (NIPF). These action plans support the job-creation ambitions of the NDP and the NGP and lists Special Economic Zones as one of six "Transversal Focus Areas". Under the "Sectoral Focus Areas", the SBIDZ's focus sector of Oil and Gas is expanded on as a major priority (as well as shipbuilding, which is part of the marine engineering activities proposed in the SBIDZ).

The IPAP is firmly entrenched in Government's overall policy and plans to address the key challenges of economic and industrial growth and race-based poverty, inequality and unemployment. IPAP 2018 is a product of the Economic Sectors, Employment and Infrastructure Development (ESEID) cluster. The responsibility for its implementation lies with Government as a whole and a wide range of entities, including SOCs like the SBIDZ-LC.

IPAP 2018 focuses on the following ten key themes which inform the work of the dtic and act as a roadmap for the wider industrial effort:

- Grow the economy.
- Strengthen efforts to raise aggregate domestic demand - mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
- Step up South Africa's export effort.
- Create and reinforce policy certainty and programme alignment.
- Strengthen ongoing efforts to build a less concentrated, more competitive economic and manufacturing environment in which barriers to entry for new entrants are lowered.

- Build a stronger system of industrial finance and incentives to support and secure higher levels of private sector investment in the productive sectors of the economy and grow exports.
- Press ahead with technology-intensive, value-adding beneficiation projects which fully leverage SA's comparative resource endowment advantage into a global competitive advantage.
- Optimise technology transfer and diffusion and, working closely with the Department of Science and Technology, further ramp up the effort to commercialise "home-grown" R&D in key sectors.
- Support the further strengthening of energy-efficient production and carbon mitigation efforts and measures in a manner that allows for sustainable adaptation by all the energy-intensive sectors of the economy.
- Understand, grasp and prepare for the foreseeable effects of the Digital Industrial Revolution and emergent disruptive technologies, collaboratively adapting SA's productive and services sectors to meet the challenges, including those relating to employment displacement.

## 2.4 Provincial policy context

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 Provincial Strategic Plan (PSP), the Western Cape Recovery Plan, the Western Cape Provincial Spatial Development Framework (PSDF), the Western Cape Infrastructure Framework (WCIF) and the Western Cape Growth Potential of Towns Study. These provincial strategies and policies are further expanded upon under point 3 below.

Specifically, the SBIDZ falls under **Provincial Strategic Goal VIP2**, focussing on exports, employment, and GDP, as per the recently concluded Western Cape Government Provincial Strategic Plan (PSP) 2019 – 2024. The SBIDZ also aligns with the Saldanha Bay Municipality Local Economic Development Strategy and the Growth Potential Study of Towns (GPS) -2014.3.2

## 3 Institutional Policies and Strategies over the five year planning period

### 3.1 Policies

#### 3.1.1 Western Cape Provincial Strategic Plan 2019-2024

The PSP sets out the WCG's vision and strategic priorities. It seeks to set out and define the WCG's approach to addressing the economic, social, and development challenges in the Province. These challenges are to be addressed through the WCG's five strategic priorities, known as Vision Inspired Priorities (VIPs). These are:

- VIP 1: Safe and Cohesive Communities;
- VIP 2: Economy and Jobs;
- VIP 3: Empowering People;
- VIP 4: Mobility, Spatial Transformation and Human Settlements; and
- VIP 5: Innovation and Culture.

Due to its mandate and nature of work, the SBIDZ sees itself as contributing primarily, but not exclusively to **"VIP 2: Economy and Jobs"**. This is done by focusing, amongst other things, on attracting direct investment, increasing employment and contributing to the Western Cape Province GDP through increasing value-added production and the generation of new and innovative economic activities specifically within the oil, gas and marine services industries.

The PSP recognises the oil, gas and marine services sectors as priority sectors based on their potential to create jobs and unlock further economic opportunities and comparative advantage. It is with this in mind that the PSP has identified SBIDZ as playing a catalytic role in unlocking the industrial and economic potential of the West Coast.

#### 3.1.2 Western Cape Recovery Plan

The economic impact of the Global COVID-19 pandemic on South Africa and the Western Cape necessitated that the WCG review its provincial plans and budgets.

The WCG subsequently developed a Western Cape Recovery Plan (WCRP), based on four themes:

- **COVID RECOVERY:** The pandemic is still with the country and its citizens; existing health measures must continue, and new ones put in place, and the secondary impacts of COVID-19 on the delivery of health services must also be dealt with.
- **JOBS:** The economic impact of COVID-19 has been severe, and recovery can only occur if the economy grows and citizens generate income.
- **SAFETY:** This is the overarching theme for the PSP, and it is equally relevant going forward. It is inextricably linked with Wellbeing, as Safety cannot be achieved if basic human needs are not met.
- **WELLBEING:** Government must ensure that the basic human needs of citizens are realised, as guaranteed in the Constitution.

A concept that is central to the above themes is **dignity**. The citizen is at the centre of everything that the WCG does as government, and what is delivered, and how it is delivered must uphold the dignity of every individual, household, and community.

The national Economic Reconstruction and Recovery Plan identifies priorities for the economic recovery from the socio-economic consequences of the pandemic. The Western Cape Recovery Plan shares numerous priority interventions with the national plan, including infrastructure development, export promotion, energy security and the green economy, tourism recovery and growth, mass public employment interventions, and increasing food security.

The SBIDZ resides within the “**Jobs**” theme of the WCRP and contributes to all five focus areas of the theme through the work of the company. These focus areas are:

- Accelerate Ease of Doing Business.
- Boost infrastructure.
- Boost investment and exports.
- Scale up work opportunities and skills for people without jobs.
- Economic resilience.

This contribution to these five focus areas is evidenced by the Company’s investment

promotion mandate, the investment pipeline established, and infrastructure developed, where some investments are already realised and in operation in the Zone. In addition, the SBIDZ in its 5-Year Strategic Plan and Corporate Plans commits the Company to taking a more activist role regarding enabling, catalytic marine infrastructure in the Zone and port, namely through the Cost Benefit Analysis and Environmental Impact Assessment for marine services infrastructure currently underway. Lastly, investors in the Zone will be import and export facing, as their operations come online over the next years.

The SBIDZ also contributes to the “Scale up of work opportunities and skills for people without jobs” through its development programmes. This is to a lesser degree as the SBIDZ undertakes industry-targeted skills development as a strategic link between local citizens and the maritime and energy markets in the SBIDZ to create a pipeline of competent, accessible, and competitive skills capacities.

In the long term, through the Saldanha Bay Innovation Campus programme, the SBIDZ will also contribute to the “Economic Resilience” focus area, as a just transition to lower carbon economies is enabled by competitive investment into research, design and innovation into lower carbon-needing and producing technologies in industrial systems, such as those that will be located in the SBIDZ. In addition, the SBIDZ reports and participates in the Jobs theme, contributing to the short to medium-term MTEF 2021–24 response plan.

### 3.1.3 Western Cape Provincial Spatial Development Framework

The Western Cape Provincial Spatial Development Framework (PSDF), adopted in 2014, sets out the basis for addressing the province’s spatial agenda. It is not a blueprint that can be implemented in the short term, but rather a framework within which:

- coherent and consistent sector and area-based plans (e.g., for functional regions or municipalities) can be formulated and rolled-out by the spheres of government and SOEs operating in the Western Cape; and

- Communities and the private sector have greater certainty over where development and investment are heading, and so can respond to opportunities arising.

The PSDF's spatial policies cover three inter-related themes, namely "resources", "space-economy" and "settlement". In adopting a strategic view of the Provincial space-economy, the PSDF identifies three functional regions where significant development trends and/or development potentials are seen to exist. One of these identified functional regions is the emerging Greater Saldanha Regional Industrial Complex, with the Saldanha Bay/Vredenburg growth centre at its heart. The PSDF proposes that the advancement of this functional region be to be supported by specifically targeting the oil and gas sectors as economic sectors to support, facilitating the development of a water demand management system for the region and lastly by seeking to encourage the flow of new regional and bulk economic infrastructure investment into the area to leverage private sector and community investments.

### 3.1.4 Western Cape Infrastructure Framework

The WCG is mandated to coordinate provincial planning under Schedule 5A of the Constitution. As part of this mandate, Western Cape Infra-structure Working Group produced the WCIF, which was adopted in 2013. The WCIF intended to align the planning, delivery and management of infrastructure, provided by all stakeholders (national government, provincial government, local government, State owned Entities and the private sector), to the strategic agenda and vision for the province. The WCIF identifies that the harbour and industrial development in Saldanha will create a need for a substantial transition in infrastructure coordination, administration and provision related to bulk water supply, energy generation, transportation and Information and Communications Technology (ICT).

It should be noted that the Western Cape Provincial Department of Transport and Public Works (DTPW) is currently leading a process to revise and update the WCIF. The SBIDZ-

LC is participating in this process as a key stakeholder.

### 3.1.5 West Coast District: Joint District and Metro Approach Plan

The Western Cape Government (WCG) has adopted the Joint District and Metro Approach (JDMA) in response and in alignment to National Government's District Development Model (DDM). The objectives of the DDM is to

- Coordinate a government response to challenges of poverty, unemployment, and inequality particularly amongst women, youth and people living with disabilities.
- Ensure inclusivity by gender budgeting based on the needs and aspirations of our people and communities at a local level.
- Narrow the distance between people and government by strengthening the coordination role and capacities at the District and City levels.
- Foster a practical intergovernmental relations mechanism to plan, budget and implement jointly to provide a coherent government for the people in the Republic; (solve silo duplication and fragmentation) maximise impact and align plans and resources at our disposal through the development of "One District, One Plan and One Budget".
- Build government capacity to support to municipalities.
- Strengthen monitoring and evaluation at district and local levels.
- Implement a balanced approach towards development between urban and rural areas.
- Exercise oversight over budgets and projects in an accountable and transparent manner.

Through the work coordinated in this regard by the WCG's Department of Local Government (DLG) a holistic JDMA plan has been developed for municipalities within the West Coast District. This plan has been approved by all Municipalities in the district, the WCG and National Government through the Department of Cooperative Governance and Traditional Affairs (COGTA). The SBIDZ has been included in the economic section of this plan as a strategic project for the west coast district area.

### 3.1.6 Saldanha Bay Municipality 4th Generation Integrated Development Plan 5th review (2022/23) 2017-2022 2nd Amendment

The Saldanha Bay 4th generation 2017-2022 Integrated Development Plan (IDP) is the Saldanha Bay Municipality's (SBM) principal five-year strategic plan that guides decision making and deals with the most critical development needs of the municipal area as well as the most critical governance needs of the organisation. The IDP is adopted by the municipal council within one year after a municipal election and whilst it remains in force for the council's elected term (a period of five years); it is reviewed annually in consultation with the local community as well as interested organs of state and other role players. The IDP should guide and inform all planning and development that the Municipality undertakes within the municipal area towards the fulfilment of the Municipality's constitutional, legislative and developmental mandate.

The SBIDZ will create opportunities for economic growth and employment for the people living in the SBM municipal area and beyond, either through direct employment in the zone, or through small, local businesses doing business with zone tenants and users. It is the firm belief of the Municipality that the SBIDZ will change the lives of Saldanha Bay citizens, for now and generations to come. This belief is underscored by the economic projections from the jointly conducted economic research study called the Saldanha Bay Municipality Socio-Economic Futures (SBM SEF), which identified and reaffirmed the SBIDZ's potential importance to the local economy. The SBM SEF report will form the basis for economic logic informing the key strategic informant to the Municipality's and SBIDZ's strategic planning.

It is with this in mind that the Municipality has placed the SBIDZ and its development at the core of its long-term development strategy by addressing it through its Strategic Objective 1, which aims "to diversify the economic base of the municipality through industrialization, de-regulation, investment facilitation and tourism

development whilst at the same time nurturing traditional economic sectors".

The IDP reflects that the Municipality is identified as one of its 10 strategic objectives "the diversification of the economic base of the municipality through industrialisation, de-regulation, investment facilitation and tourism development whilst at the same time nurturing traditional economic sectors." Thus, clear linkages exist between this strategic objective and the SBIDZ's stated purpose of (amongst others):

- attracting foreign and domestic direct investment;
- taking advantage of existing industrial and technological capacity, promoting integration with local industry and increasing value-added production;
- providing the location for the establishment of targeted investments;

### 3.1.7 Saldanha Bay Municipality Spatial Development Framework

The Saldanha Bay Municipal Spatial Development Framework (SDF), reviewed and adopted in 2019 and reviewed annually as part of the Municipality's integrated development planning process, is a core component of the IDP and thus the Municipality's economic, sectoral, spatial, social, institutional and environmental vision. It is the principal tool the municipality uses to achieve its desired spatial form. The SDF identifies the SBIDZ as part of a number of development initiatives that influenced industrial development and contributed to the broadening of the economic base of the municipal area.

As such, the SDF reflects that the "identification of areas for future industrial development" as a key strategy towards implementing part of its spatial vision relating to the "promotion of the industrial area, including high-tech economic development, to take advantage of global demand opportunities and encourage local employment and capacity building". This becomes especially pertinent when, considering the future growth of the port facility and expected pressures on the industrial land supply, given the potential of the growth in backward and forward linkages.

### 3.1.8 Saldanha Bay Municipal Economic Recovery Plan 2020

The pandemic has dealt a heavy blow to economic growth which caused a significant decline in the vibrancy of the economy and resulted into massive job losses. Following engagement at multiple levels, SBM crafted a Municipal Economic Recovery Plan (MERP) with the objectives of:

- To maintain a very high level of energy water supply and municipal services;
- Investment retention and promotion;
- Supporting local businesses;
- Creating business opportunities via localisation; and
- Direct job creation through EPWP and CWP.

The framework of action in the MERP has the overarching theme of Rebuilding the Economy, and has three action areas, namely: New Investment and Investor Retention, Localisation and SMME Support (working with local business organisations), and Value Chain Analysis and Support (enhancing longer term competitiveness).

As the single most important development that will take place in the Saldanha Bay Municipal area over the next 10 to 20 years, the SBIDZ plays a catalytic and critical short-, medium- and long-term recovery mechanism towards each of these action areas through its construction programme, the positive spill over benefits between businesses in the zone and outside of the zone, job creation and the long-term wholesale restructuring of the economic structure towards a deep and solid industrial base.

### 3.1.9 Saldanha Bay Municipal Infrastructure Growth Plan

The municipality compiled the Saldanha Bay Infrastructure and Growth Plan (IGP) due to the increased economic activities in the municipal area. The Saldanha Bay Municipality's IGP seeks to reflect the status of all infrastructure within each town, list possible major gaps and projects together with estimated cost and funding source and provide a high-level assessment of the financial capacity of the municipality

with regards to the funding of capital projects. Ultimately, the purpose of the plan is to provide an overview of the infrastructure needs of Saldanha Municipality within the broader context of economic, developmental and human settlement related factors. It is within this context that the Saldanha Bay municipal IGP views the SBIDZ and the envisioned developments in the zone as a determining factor that will shape the economic and basic service delivery infrastructure status, needs and management within the municipal area.

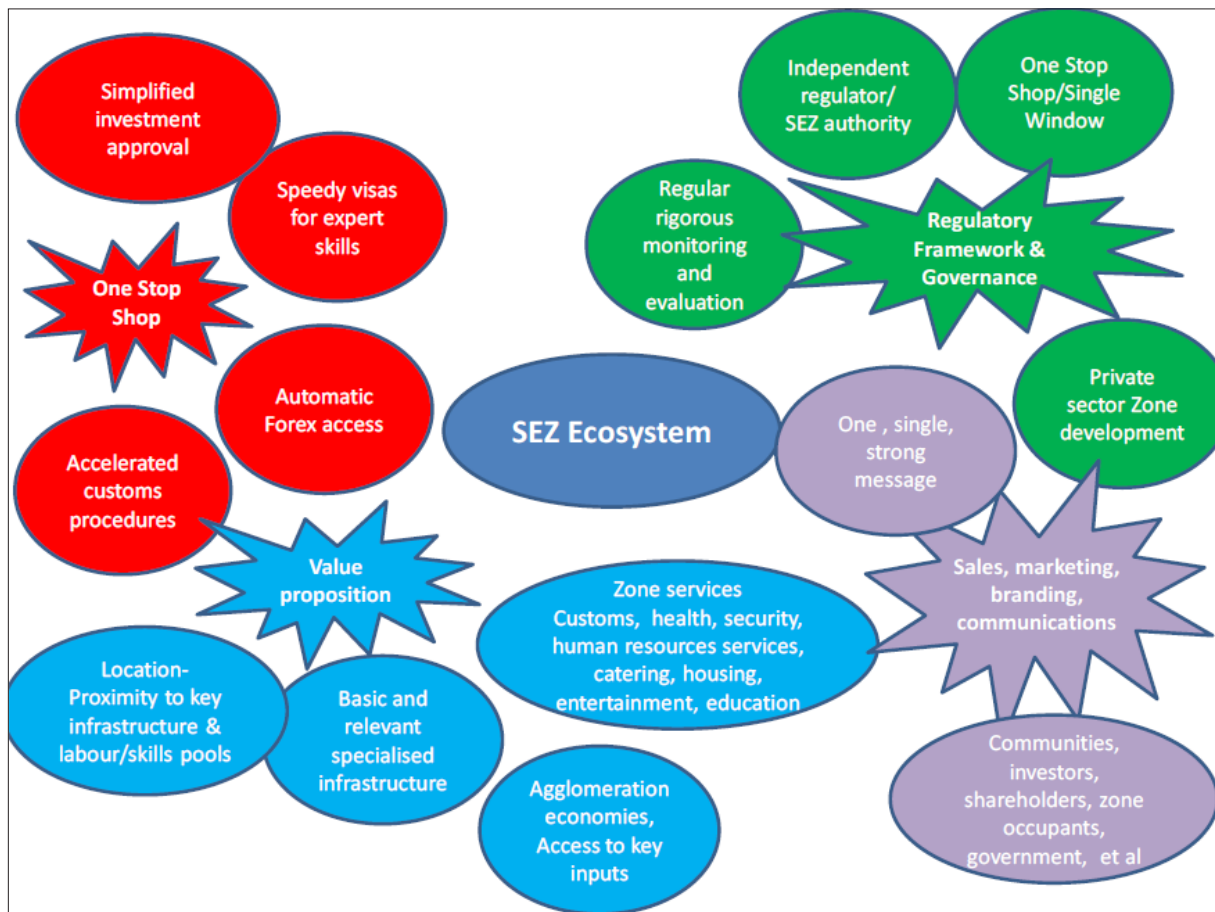
### 3.1.10 COGTA Integrated Urban Development Framework (IUDF)

The National Development Plan (NDP) indicated that by 2030 South Africa should observe meaningful and measurable progress in creating more functionally integrated, balanced and vibrant urban settlements. To attain this goal, the Department of Cooperative Governance, has worked with various stakeholders and partners to develop the IUDF to transform and restructure South Africa's urban spaces. The Integrated Urban Development Framework (IUDF) is the South African government's policy position to guide the future growth and management of urban areas. In doing so, the IUDF aims to foster a shared understanding across government and society about how best to manage urbanisation in order to create resilient and inclusive cities and towns, such as Saldanha and Vredenburg. Ultimately, in relation to mandate of the SBIDZ-LC the IUDF calls for government and society to adopt a more resolute, holistic and coordinated approach when deciding on the most appropriate locations for business and industrial development in their city or town.

## 3.2 Strategies

### 3.2.1 DTIC SEZ Strategic Framework 2020-2030: Draft

The draft SEZ Strategic Framework 2020-2030 draws on best practise research from the United Nations Conference on Trade and Development (UNCTAD), the World Bank, the United Nations Development Programme (UNDP), as well as SEZ case studies across the globe.

**Figure 1: The dtic SEZ Industrial Ecosystem, 2020-2030**

Sources: Adapted from UNCTAD, World Bank (2019); UNDP (2018); Malaysia, (2016)

The framework notes the following: “Provision of relevant and high-quality infrastructure, and competitive incentives, at a desirable location, is no longer sufficient for the South African SEZ programme to succeed.... the probability of success is significantly increased when the SEZ implementation and delivery process is viewed as a portfolio or an ecosystem of linked and mutually dependent implementation actions, occurring in a dynamic environment. It is the effectiveness of these elements that are, as noted above, fast becoming an important deciding factor in terms of locational investment decisions.”

Thus, the framework has set the following draft vision: “The South African SEZ programme will, through the development of competitive and world class SEZs in South Africa, have a significant and lasting impact on sustainable reduction in poverty and inequality, and increased inclusivity

in the South African economy, improving the quality of life for all.”

With the enabling mission as follows: “The South African SEZ programme will, by 2030, ensure that all designated SEZs and those in the current pipeline have been supported by means of infrastructure delivery, incentives delivery and zone services to the extent required to deliver measured economic, social and environmental benefits to citizens. The programme will continue to identify SEZ opportunities annually and will ensure economic and social inclusivity in all procurement and supply chains for black South Africans, and women in measurable ways.”

Seven strategies have been identified and proposed to fulfil the framework’s mission and move towards the determined vision. These include:

- **Strategy One** - Improve legal and regulatory environment to ensure South African SEZs are

globally competitive by building in flexibility to the Act and to linked regulations in order to stay ahead, without compromising on good governance;

- **Strategy Two** - Deliver world class industry relevant infrastructure to target industries and build low carbon and environmental compliance into all master plans. The SEZ programme will work directly with relevant South Africa sectors and their master plans for optimum planning and implementation outcomes;
- **Strategy Three** - Proactive opportunity and investor stance- this requires an opportunity scan annually, proactive and coherent marketing and information implementation nationally and at the SEZ level;
- **Strategy Four** - Stakeholder management and national buy-in. Ensure business, communities, politicians, academic institutions and other essential stakeholders are on board and in agreement and that all stakeholders are regularly engaged and consulted;
- **Strategy Five** - Improve funding capability- introduce a fund wherein the dtic SEZ fund is only one of a number of co-funders;
- **Strategy Six** - Build the essential ecosystem- SEZs are not only about location, incentives and infrastructure; and
- **Strategy Seven** - Invest in people. Skills, training and capacity need improved coordination and organisation to meet the needs of investors and their supply chains.

The framework, currently under review for comment, sets out a quintessentially integrated operational delivery environment for SEZ Operators. This new direction for the SEZ Programme recognises the backward, forward and sideways socio-economic potential of SEZS and therefore the associated responsibilities of SEZ Operators and the multitude of different stakeholders who have a contribution to make to outcomes realised.

### 3.2.2 Western Cape Climate Change Response Strategy

The WCG has identified the need to act locally – in a transversal, bold and at unprecedented

scale - to reduce society's collective Greenhouse Gas (GHG) emissions and adapt to global climate change.

Building on the 2008 Western Cape Climate Change Response Strategy and Action Plan, the 2014 Climate Change Response Strategy (CCRS) is aligned with the National Climate Change Response Policy and geared to strategically direct and mainstream climate change actions and related issues throughout relevant Provincial transversal agendas. In line with the National Climate Change Response Policy, the Strategy takes a two-pronged approach (adaptation and mitigation) to addressing climate change:

- **Adaptation:** To reduce the climate vulnerability and develop the adaptive capacity of the Western Cape's economy, its people, its ecosystems, and its critical infrastructure in a manner that simultaneously addresses the province's socio-economic and environmental goals.
- **Mitigation:** To contribute to national and global efforts to significantly reduce GHG and build a sustainable low carbon economy which simultaneously addresses the need for economic growth, job creation and improving socio-economic conditions.

To attract and retain key investors in the gas, energy and related servicing industries the SBIDZ-LC has to understand, align and leverage the focus areas as set out in the CCRS which includes:

- Energy Efficiency and Demand Side Management.
- Renewable Energy development.
- The Built Environment.
- Sustainable Transport.
- Water Security and Efficiency.
- Biodiversity and Ecosystem Goods and Services.
- Coastal and Estuary Management.
- Food Security and Healthy Communities.

### 3.2.3 Western Cape Growth Potential Study of Towns 2014

The Western Cape Growth Potential Study of Towns was drafted in 2014 and sought to determine the growth potential and socio-



economic needs of settlements in the Western Cape outside of the Cape Town metropolitan area using quantitative data (e.g. factors relating to socio-economic, economic, physical-environmental, infrastructure and institutional aspects). The GPS reflects that a cluster of very high and high potential settlements occurs in the Saldanha Bay region, with Vredenburg (very high growth potential) acting as the main node.

In addition, based on a qualitative component of the research that was done in drafting the GPS, regional interventions that would unlock latent development potential, and assist or influence the local, provincial and national government in making crucial and informed decisions on where to invest in the future was identified. The GPS reflects “business, marketing and skills development” as a key lever towards unlocking the region’s development potential, with the growth of the Industrial Development Zone (IDZ) as a cornerstone and catalytic initiative. Lastly, “Infrastructure Development” related to expanding the regional transport network, increasing ICT coverage and upgrading the rail infrastructure is also reflected as a so called “Big Idea” that would further enhance the functional region’s latent potential.

### 3.2.4 Saldanha Bay Municipality Local Economic Development Strategy

The SBM LED Strategy sought to provide an overarching long-term plan for the entire economy of Saldanha Bay to ensure that all stakeholders’ efforts are prioritised and aligned for most beneficial effect on the SBM economy. The SBM LED strategy identified and focused on the key economic sectors that are key to economic growth within the municipal area. From the seven key economic sectors identified by the SBM LED strategy, four of those economic sectors are directly linked to the SBIDZ:

- Oil & Gas storage & processing;
- Engineering, metal fabrication & manufacturing;
- Ports, freight, transport, logistics, services; and
- Property- & infrastructure development & construction.

This theme of close alignment with the SBIDZ extends within the LED document to the actual strategies that the Municipality will seek to employ towards achieving its economic objectives. These are:

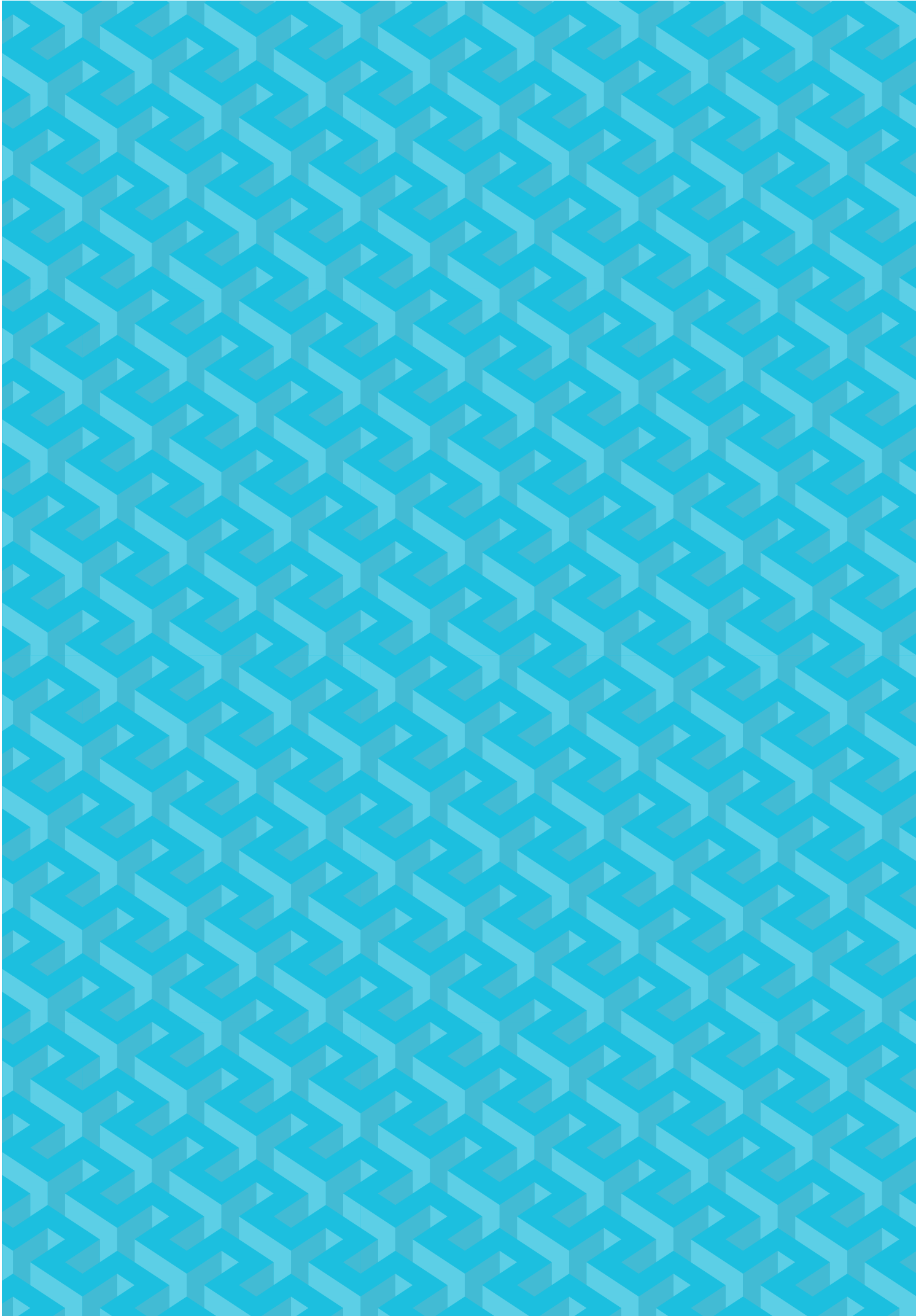
- **Strategy 4:** Attract new industrial investors by creating a more enabling environment
- **Strategy 5:** Maximise the competitive advantages from ports
- **Strategy 6:** Support local SME to access more opportunities
- **Strategy 7:** Credible vocational skills development and tertiary education available

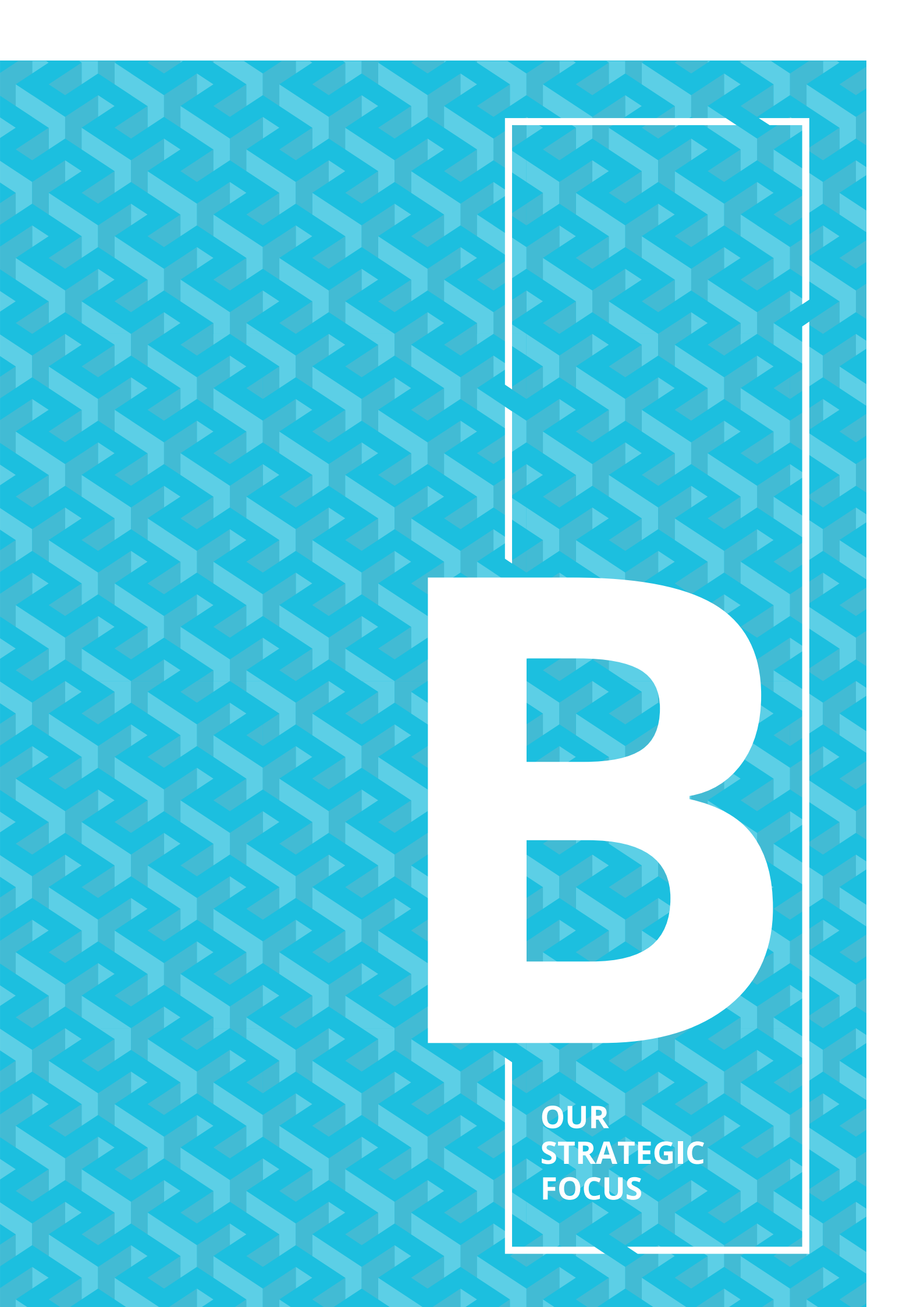
It is thus clear, that a significant part of the Municipality’s current economic strategy is closely aligned to mandate and work of the SBIDZ.

It should be noted that the SBM has recently appointed a service provider to draft its new economic development strategy, with the SBIDZ-LC set to participate as a key informant and stakeholder in this process.

## 4 Relevant Court Rulings

There are no court rulings which are relevant to the SBIDZ or may have a significant impact on its operations.





# B

OUR  
STRATEGIC  
FOCUS

## PART B: OUR STRATEGIC FOCUS

### 1 Vision

Our vision is to be Africa's premier maritime, energy, and logistics Freeport, offering a world-class integrated shipyard, engineering, fabrication, logistics, services Freeport environment to zone users and tenants.

### 2 Mission

We create an enabling inclusive, sustainable environment by fostering responsible investment in the zone, as an inclusive and sustainable economic catalyst.

### 3 Values

**Pioneering:** We know where we have come from and where we are heading. We dedicate ourselves to creating the conditions for our collective success. We achieve what is possible and overcome what others see as impossible.

**Partnership Focused:** We work together. We grow together. We show mutual respect.

**Accountable:** We take ownership of our actions. We hold ourselves accountable. We make the right decision and take the right action, to deliver sustainable growth to our organisations, communities and our country.

**Sustainability-Driven:** We believe in making a difference that matters and that sustains itself after our work is done. We create spaces for empowerment and self-development. Creating sustainable transformation for lives, businesses and economies.

### 4 Situational Analysis

#### *4.1 Performance Delivery Environment*

##### 4.1.1 Local Environment Analysis

The macroeconomic context summarised below is sourced and adapted, where required, from the Municipal Economic Review and Outlook 2021 (MERO 2021) and the Provincial Economic Review and Outlook 2021 (PERO 2021), both issued by the Provincial Treasury.

The period under review for MERO 2021 is between 2015 and 2020, with 2020<sup>1</sup> figures being estimated. An outlook regarding GDP for 2021 and 2022 is also provided.

##### *4.1.1.1 Global Economic Outlook<sup>2</sup>*

The International Monetary Fund (IMF) expects the global economy to rebound to 5.9 per cent in 2021 from a low base in 2020, before easing to a growth of 4.9 per cent in 2022. There are risks to the rebound – there may be further virus mutations, social unrest, geopolitical tensions, cyber-attacks on critical infrastructure and natural disasters associated with climate change.

Sub-Saharan Africa is expected to rebound by 3.7 per cent in 2021 and 3.8 per cent in 2022, supported by growth in South Africa in the first quarter of 2021 and the gradual reopening of the regional economy. By the first half of 2021, the South African growth recovery was well under way. Unadjusted GDP for the first six months of 2021 increased by 7.5 per cent, compared with the first six months of 2020.

Emerging markets and developing countries are important and growing export markets for the Western Cape and South Africa. However, policy uncertainty has affected South Africa's investment outlook, resulting in sluggish growth. Fixed investment declined from 23.5 per cent of GDP in 2008 to 15.8 per cent in 2020. Regardless of these challenges, the SARB forecasts that the South African economy will recover by 5.3 per cent in 2021, 1.7 per cent in 2022 and 1.3 per cent in 2023.

#### 4.1.1.2 Western Cape Outlook

The Western Cape economy will be supported by the recovery of its main export destinations, with 47.3 per cent of all exports destined for developed economies, among which the United States (7 per cent) and the United Kingdom (7 per cent), are expected to record robust recoveries in 2021. Between 2016 and 2020, export growth in the Western Cape was mainly supported by agriculture exports largely due to a stellar performance (44.4 per cent) in 2020. Supported by a relative weaker local currency and fewer COVID-19 restrictions, the sector is likely to continue its important contribution to Western Cape exports.

The Province's Regional Gross Domestic Product (GDPR) grew by an average of 2.6 per cent over the first half of the decade (2011 – 2015). Between 2016 and 2020 the average annual GDPR growth of the Western Cape declined to -0.6 per cent, with only the Government sector recording positive growth at 0.8 per cent. The negative growth over the last five years was mostly due to the 2020 recession, however the Province also experienced sluggish average growth (0.9 per cent) in the four years prior

to the recession. Between 2021 and 2025, the Western Cape economy is expected to grow at an average annual growth rate of 2.9 per cent.

For the period 2016 to 2020, an average annual decline of 5.4 per cent is observed in fixed investment in the Western Cape, measured by Gross Fixed Capital Formation (GFCF). The deterioration in fixed investment was broad-based as a contraction was experienced across all sectors. The investment outlook for the Western Cape between 2021 and 2025 is positive relative to the previous five-year period, with an average growth of 4.2 per cent expected during this period.

In 2020, the Western Cape lost 159 266 employment opportunities or a decline of 6.2 per cent from the previous year. The largest portion of these losses were in the Private services sector (68.7 per cent), followed by the Construction (12.5 per cent) and Manufacturing (11.6 per cent) sectors. The Government sector was the only sector not to shed employment opportunities during the year. The Sector added 3 236 employment of opportunities in 2020.

Between 2011 and 2020, Building and Construction works contributed on average 42.7 per cent to all fixed investments (GFCF) in the Province. The Construction sector is also a critical user of informal employment since the portion of informal employment used by the sector (31.5 per cent) exceeds the share of informal employment used by all sectors (22 per cent) in the Province. The Construction sector was one of the most severely affected by the COVID-19 lockdown measures adopted in 2020.

<sup>1</sup> Stats SA will only release official regional indicators for 2020 in 2022.

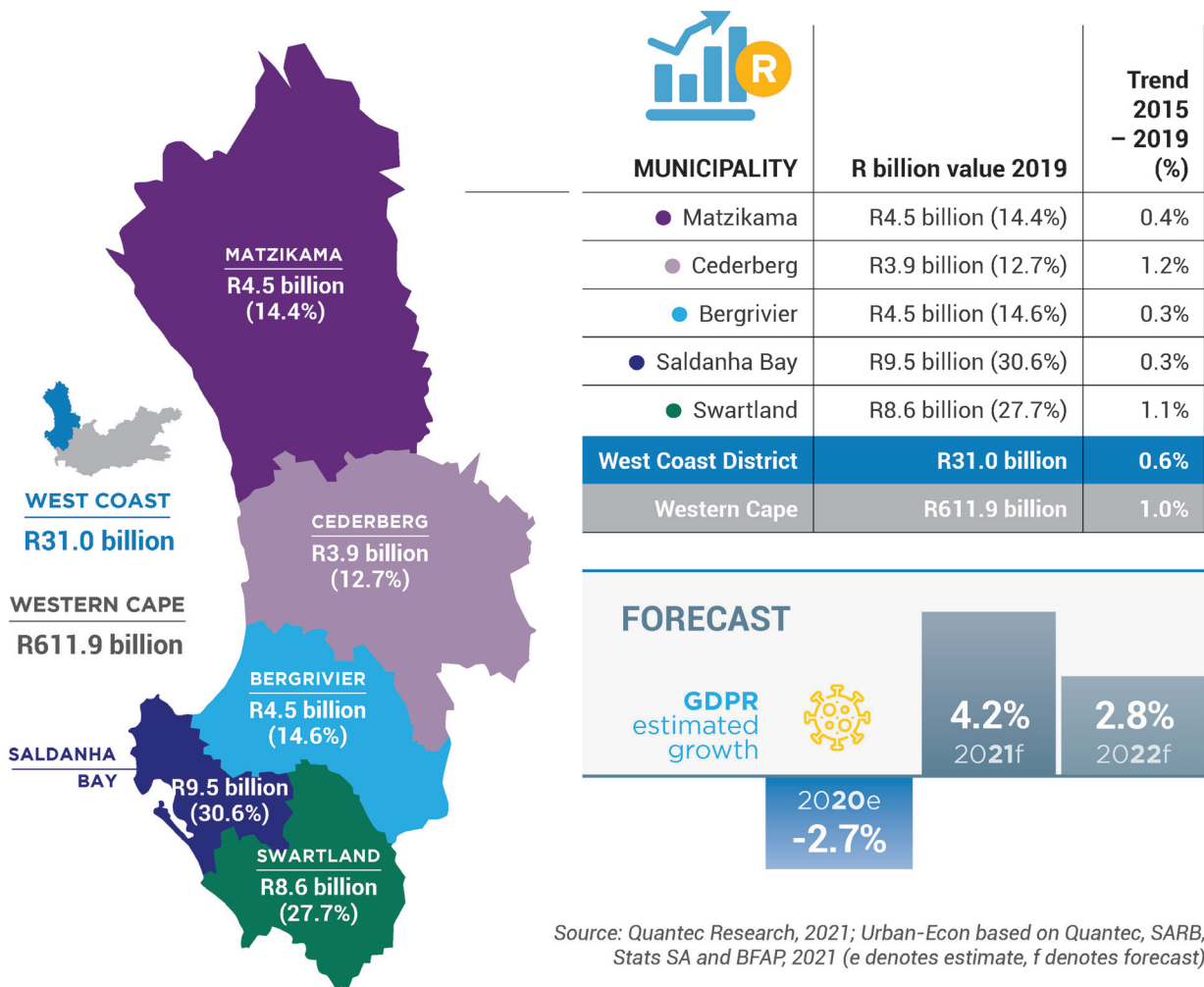
<sup>2</sup> As released in October 2021.

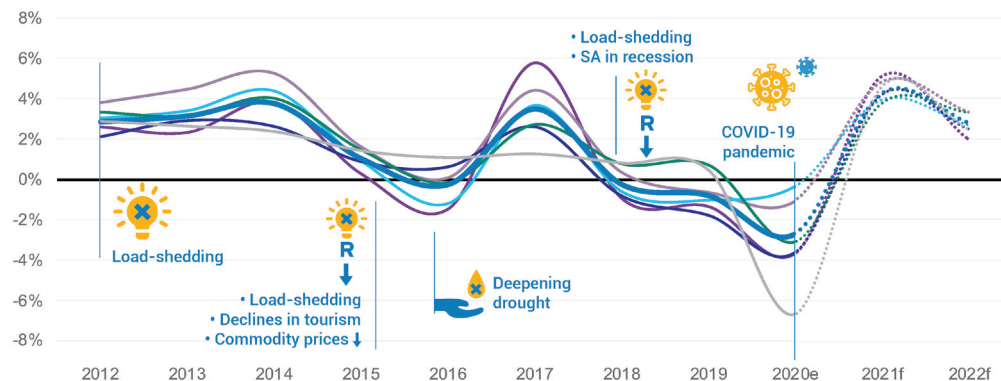
### 4.1.1.3 West Coast District Economy

The economy of the West Coast District (WCD) was valued at R31.0 billion in 2019 and contributed 5.1 per cent to the Western Cape economy (Figure 2). Growth in the District averaged 0.6 per cent between 2015 and 2019, which was lower than the average of the Provincial economy.

Estimates for 2020 indicate that the District economy contracted by 2.7 per cent, which is smaller than the estimated contraction of 6.7 per cent for the Provincial economy. Forecasts for 2021 indicate a growth rate of 4.2 per cent, followed by 2.8 per cent in 2022 (Figure 3).

**Figure 2: WCD GDPR contribution and average growth rates per municipal area, 2021**



**Figure 3: WCD GDPR growth per municipal area, 2012-2022**


	2012	2013	2014	2015	2016	2017	2018	2019	2020e	2021f	2022f
Western Cape	2.9%	2.6%	2.4%	1.4%	1.1%	1.2%	0.8%	0.4%	-6.7%	4.6%	2.5%
West Coast District	2.8%	3.1%	3.7%	1.0%	-0.3%	3.5%	-0.3%	-0.8%	-2.7%	4.2%	2.8%
Matzikama	2.6%	2.3%	3.8%	0.2%	-1.5%	5.8%	-1.0%	-1.4%	-3.7%	5.1%	2.0%
Cederberg	3.8%	4.5%	5.2%	1.6%	0.1%	4.4%	0.3%	-0.7%	-1.1%	4.8%	3.3%
Berggrivier	3.0%	3.4%	4.3%	0.9%	-1.2%	3.6%	-0.6%	-1.0%	-0.3%	3.9%	2.7%
Saldanha Bay	2.1%	2.9%	2.6%	0.9%	0.6%	2.6%	-0.9%	-1.8%	-3.6%	4.2%	2.5%
Swartland	3.3%	3.1%	4.0%	1.4%	-0.2%	2.7%	0.8%	0.7%	-3.1%	3.7%	3.3%

Source: Quantec Research, 2021; Urban-Econ based on Quantec, SARB, Stats SA and BFAP, 2021  
(e denotes estimate, f denotes forecast)

In 2019, the Saldanha Bay (30.6 per cent) and Swartland (27.7 per cent) municipal areas were the largest contributors to GDPR in the WCD. In

terms of sectoral performance, the tertiary sector was the main driver of economic activity in 2019, contributing 53.0 per cent to GDPR (Figure 4)

**Figure 4: WCD GDPR performance per sector, 2019-2022 (%)**

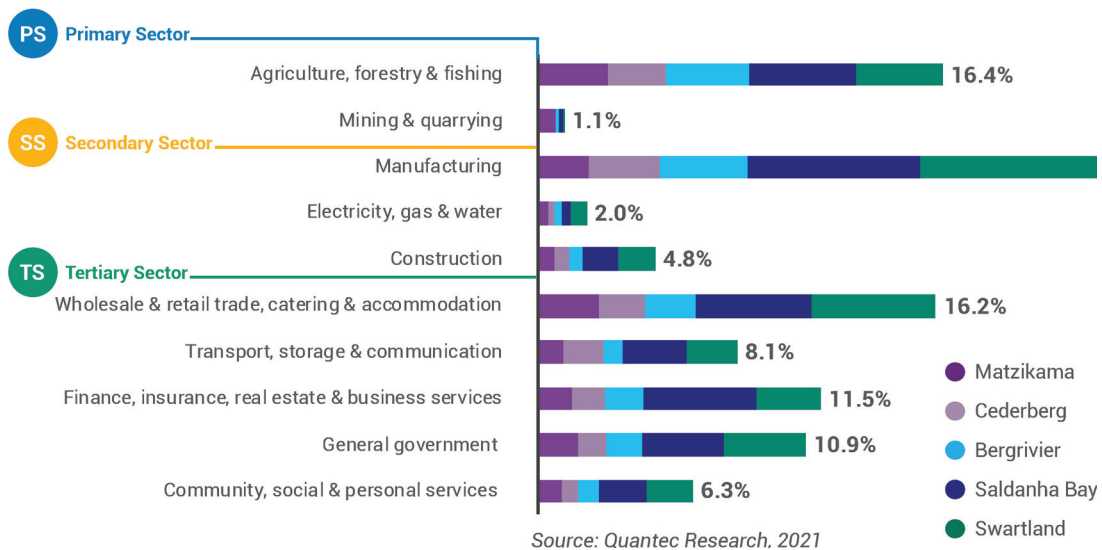
SECTOR	R million value 2019	Trend 2015 - 2019	Real GDP growth		
			2020e	2021f	2022f
<b>PS</b> Primary Sector	<b>R5 432.8 (17.5%)</b>	<b>-2.2%</b>	<b>12.4%</b>	<b>8.3%</b>	<b>0.3%</b>
Agriculture, forestry & fishing	R5 100.1 (16.4%)	-2.2%	14.4%	8.2%	0.4%
Mining & quarrying	R332.7 (1.1%)	-1.8%	-22.8%	11.4%	-2.7%
<b>SS</b> Secondary Sector	<b>R9 155.2 (29.5%)</b>	<b>1.4%</b>	<b>-7.4%</b>	<b>-1.3%</b>	<b>8.2%</b>
Manufacturing	R7 059.6 (22.8%)	1.8%	-5.0%	-1.4%	8.6%
Electricity, gas & water	R614.7 (2.0%)	-2.0%	-7.8%	-3.1%	2.2%
Construction	R1 480.8 (4.8%)	0.1%	-20.6%	-0.3%	8.0%
<b>TS</b> Tertiary Sector	<b>R16 429.1 (53.0%)</b>	<b>1.5%</b>	<b>-5.8%</b>	<b>5.1%</b>	<b>1.5%</b>
Wholesale & retail trade, catering & accommodation	R5 017.8 (16.2%)	1.6%	-9.9%	9.4%	3.9%
Transport, storage & communication	R2 514.2 (8.1%)	-0.5%	-16.5%	7.9%	-4.9%
Finance, insurance, real estate & business services	R3 564.3 (11.5%)	2.8%	-2.9%	4.6%	4.2%
General government	R3 373.6 (10.9%)	0.8%	1.0%	-2.0%	0.1%
Community, social & personal services	R1 959.1 (6.3%)	2.1%	-1.8%	6.3%	-2.0%
<b>Total West Coast District</b>	<b>R31 017.1 (100.0%)</b>	<b>0.6%</b>	<b>-2.7%</b>	<b>4.2%</b>	<b>2.8%</b>

Source: Quantec Research, 2021; Urban-Econ based on Quantec, SARB, Stats SA and BFAP, 2021  
(e denotes estimate, f denotes forecast)

GDPGR estimates for 2020 indicate a contraction for both the secondary and tertiary sectors of 7.4 per cent and 5.8 per cent respectively. The primary sector realised an estimated growth rate of 12.4 per cent. The strong performance of the agriculture sector is likely to be driven by healthier consumption patterns among

consumers amid the COVID-19 pandemic. The agriculture sector was also not as constrained by level five of the national lockdown as other sectors. Improved weather conditions following the drought of 2019 also allowed for a recovery in the sector in 2020. This translated into a positive performance for the primary sector.

**Figure 5: WCD GDPGR contribution per sector, 2019 (%)**



The manufacturing sector (22.8 per cent) and agriculture sector (16.4 per cent) were the main contributors to GDPGR in the WCD in 2019 (Figure 5).

The agriculture sector was the main source of employment in the WCD in 2019 contributing 37.8 per cent to employment, followed by the trade sector with 17.5 per cent (Figure 6). The unemployment profile of the WCD indicates that fewer job opportunities were available in the District, evident from a decrease in the labour force participation rate and labour absorption rate between 2019 and 2020 (Figure 7).


Unemployment across the District decreased despite the sharp contractions in economic activity in 2020. This decrease in unemployment

was driven by an increase in the proportion of the “not economically active” population, rather than an improvement in employment opportunities (Figure 7). In 2019, the total number of jobs in the WCD was 183 188, with estimates indicating that 10 278 jobs were lost in 2020, mainly from the primary and tertiary sectors.

The implication thereof is that revenue is lost within these municipalities, and this will put pressure on basic service delivery and average household expenditure power. There is a need for support from government institutions to develop additional skills for workers so that they have employment opportunities where job opportunities arise.



**Figure 6: WCD Employment per sector, 2019**

SECTOR		Number of jobs 2019	Average annual change 2015 – 2019	Net change 2020e
<b>PS</b> Primary Sector		69 688 (38.0%)	1 245	-4 324
Agriculture, forestry & fishing		69 290 (37.8%)	1 257	-4 292
Mining & quarrying		398 (0.2%)	-12	-32
<b>SS</b> Secondary Sector		23 322 (12.7%)	227	-1 544
Manufacturing		16 216 (8.9%)	188	-579
Electricity, gas & water		408 (0.2%)	1	-14
Construction		6 698 (3.7%)	37	-951
<b>TS</b> Tertiary Sector		90 178 (49.2%)	2 080	-4 410
Wholesale & retail trade, catering & accommodation		32 033 (17.5%)	1 050	-1 869
Transport, storage & communication		4 693 (2.6%)	92	-229
Finance, insurance, real estate & business services		16 029 (8.8%)	453	-775
General government		17 554 (9.6%)	86	229
Community, social & personal services		19 869 (10.8%)	400	-1 766
<b>Total West Coast District</b>		<b>183 188 (100.0%)</b>	<b>3 552</b>	<b>-10 278</b>

Source: Quantec Research, 2021 (e denotes estimate)





**Figure 7: WCD Unemployment profile, 2019 (%)****UNEMPLOYMENT PROFILE, West Coast District, 2019 (%)**

**Unemployed persons**, according to the official Statistics South Africa (Stats SA) definition, are those (aged 15 to 64 years) who: a) were not employed in the reference week; and b) actively looked for work or tried to start a business in the four weeks preceding the survey interview; and c) were available for work, i.e. would have been able to start work or a business in the reference week; or d) had not actively looked for work in the past four weeks, but had a job or business to start at a definite date in the future and were available. This does not include people who were not actively looking for work.

**Labour force participation rate** is the proportion of the working-age population that is either employed or unemployed.

**Employment-to-population ratio (labour absorption rate)** is the proportion of the working-age population that is employed.

**Not economically active** refers to persons aged 15 to 64 years who were neither employed nor unemployed in the reference week.

MUNICIPALITY	 Unemployment rate (%) 2019	 Labour force participation rate (%) 2019	 Labour absorption rate (employment-to-population ratio) 2019	 Not economically active 2019 (% of working-age population)
Matzikama	12.3%	65.9%	57.8%	34.1%
Cederberg	8.1%	68.3%	62.8%	31.7%
Bergrivier	5.6%	66.2%	62.5%	33.8%
Saldanha Bay	17.8%	71.7%	58.9%	28.3%
Swartland	11.1%	62.2%	55.3%	37.8%
<b>West Coast District</b>	<b>12.0%</b>	<b>66.9%</b>	<b>58.8%</b>	<b>33.1%</b>
Western Cape	19.6%	67.9%	54.6%	32.1%

Source: Quantec Research, 2021 (e denotes estimate)

Figure 8: WCD Macroeconomic Infographic, 2021

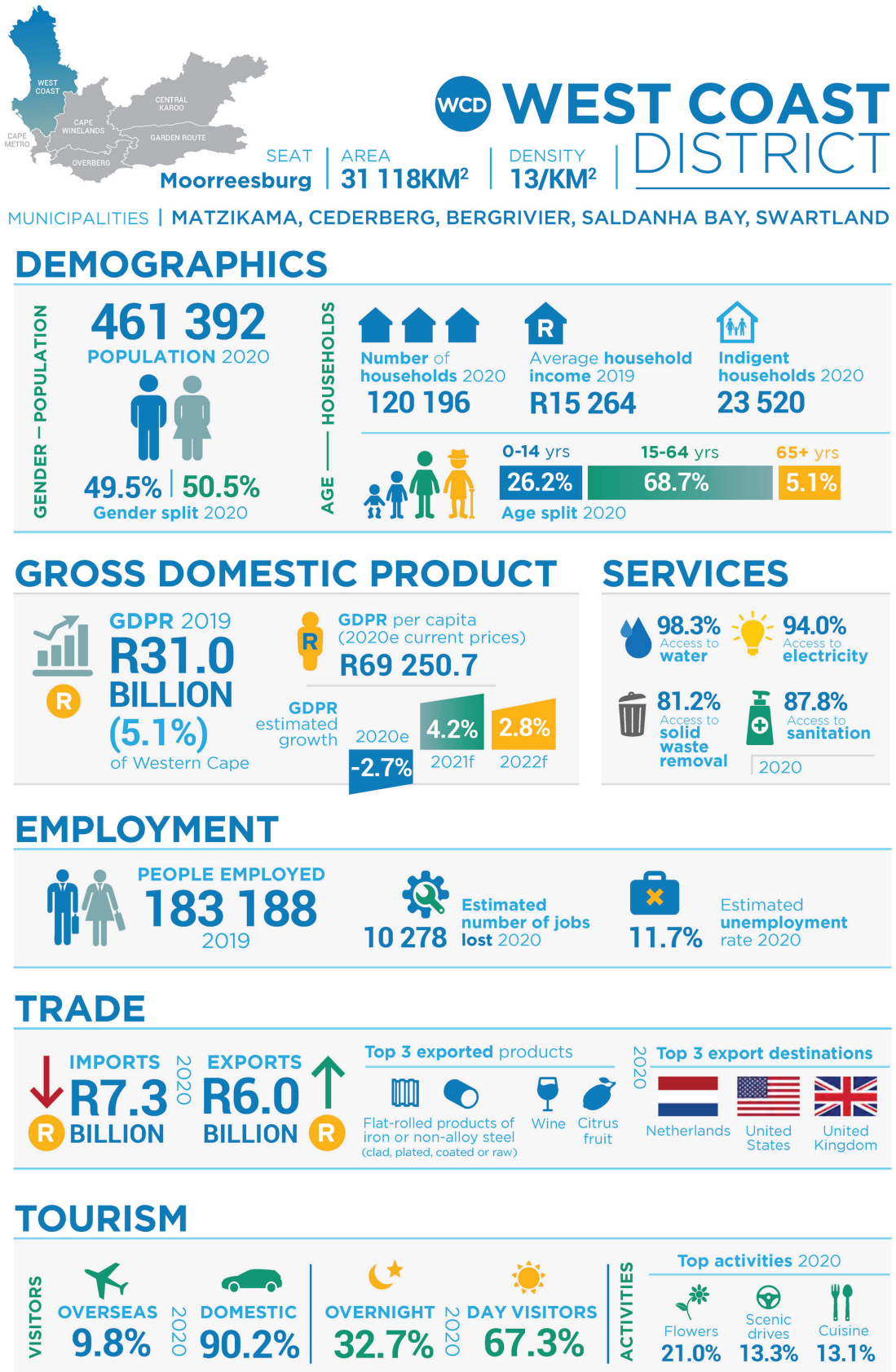
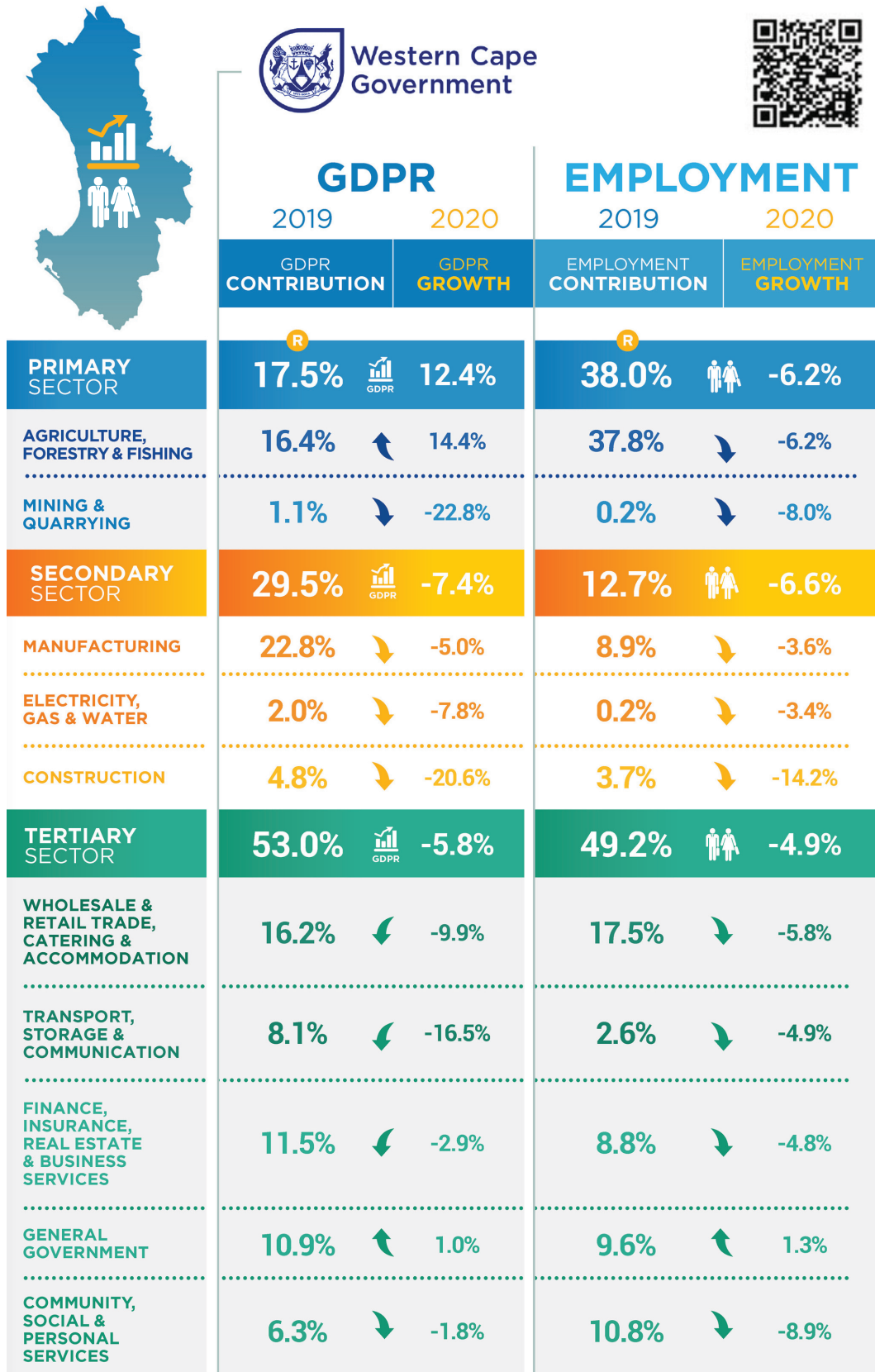


Figure 9: WCD GDPR and Employment Infographic, 2021



### 4.1.1.4 Saldanha Bay Municipal Economy

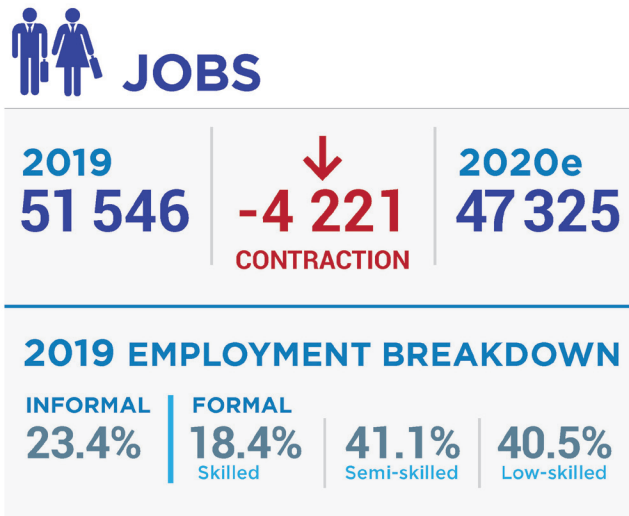
The Saldanha Bay municipal area is the largest economy in the District, and with its coastline of 238km, the municipal area is the home of a large fishing industry and a number of tourist towns. Saldanha Bay is also

known for its harbour, steel mill and IDZ, while Vredenburg is the largest administrative and commercial centre in the WCD. Coastal towns such as Paternoster, St Helena Bay, Jacobsbaai and Langebaan are popular areas for holiday homes. Inland, Hopefield is a service centre for the grain, dairy, meat and honey farmers in the area.

**Figure 10: SBM Macroeconomic Infographic, 2021**



Diagram 2.1  
**GDPR (CURRENT PRICES) AND EMPLOYMENT, Saldanha Bay, 2019 and 2020e**

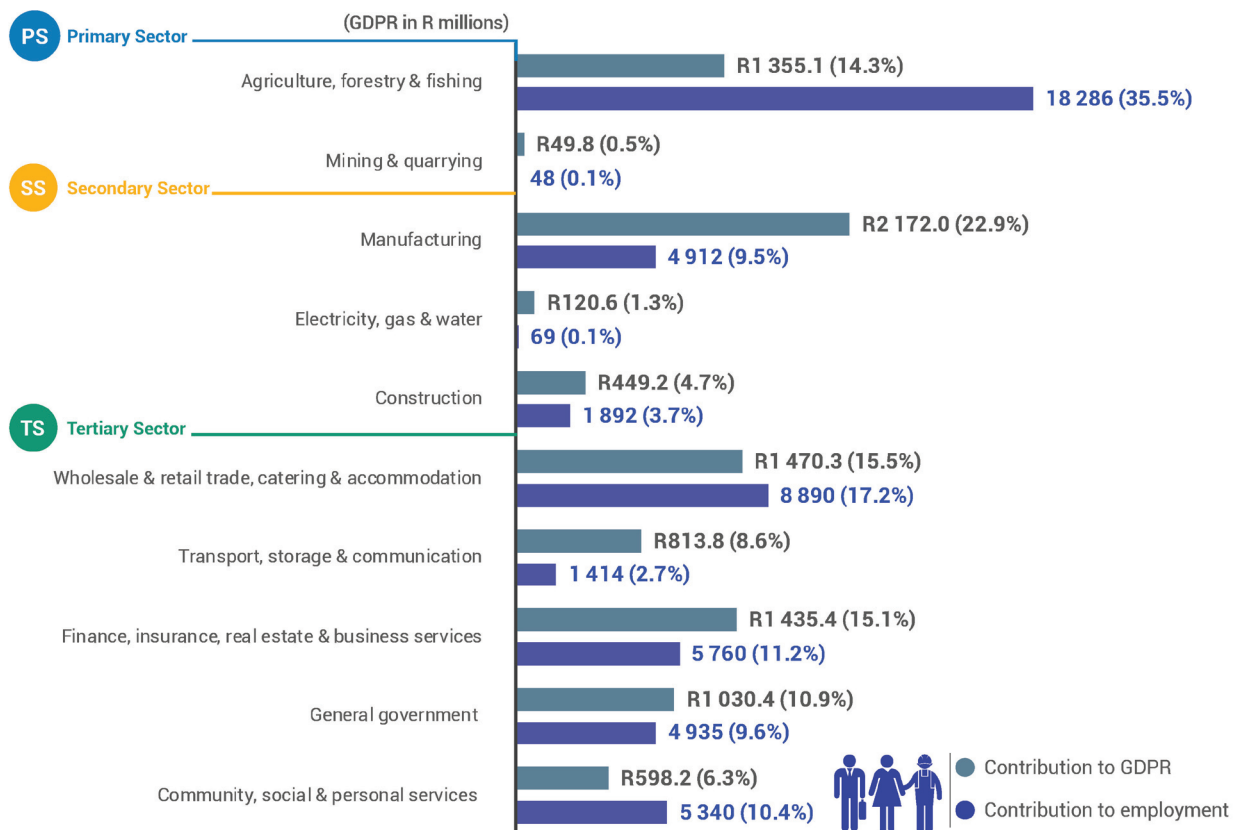


Source: Quantec Research, 2021; Urban-Econ based on Quantec, SARB, Stats SA and BFAP, 2021 (e denotes estimate, f denotes forecast)

In 2019, the economy of the Saldanha Bay municipal area was valued at R9.5 billion (current prices) and employed 51 546 workers (Figure 10). The estimate for 2020 indicates that the economy was valued at R9.7 billion (current prices), while employment declined by 4 221

jobs to 47 325 jobs. The COVID-19 pandemic put strain on the local economy, which is estimated to have contracted by 3.6 per cent in constant prices. However, the economy is forecast to rebound by 4.2 per cent in 2021, while growing by a further 2.5 per cent in 2022.

**Figure 11: SBM sectoral GDPR and employment contribution, 2019 (%)**



Source: Quantec Research, 2021

The largest economic sectors contributing to GDP in the municipal area were manufacturing (22.9 per cent), trade (15.5 per cent) and finance (15.1 per cent) (Figure 11). While manufacturing was the major contributor to GDP in the municipal area, the agriculture sector was the largest contributor to employment in 2019, accounting for 35.5 per cent of total employment. However, this sector contributed 14.3 per cent to GDP, which indicates that the industry is labour-intensive. In the same year, the manufacturing sector employed 9.5 per cent of the municipal area’s workforce, indicating that it is a capital-intensive industry. The trade sector

accounted for 17.2 per cent of total employment in the municipal area in 2019.


Between 2015 and 2019, the Saldanha Bay municipal area achieved an average annual growth rate of 0.3 per cent, while creating 504 jobs per annum (Figure 12). However, as a result of the impacts of the COVID-19 pandemic, the economy contracted by an estimated 3.6 per cent in 2020, while shedding 4 221 jobs. The tertiary sector, which grew at an average annual rate of 1.7 per cent between 2015 and 2019, played a vital role in the economic performance of the municipal area, as the primary and secondary

sectors contracted by an average annual rate of 3.7 per cent and 0.1 per cent per annum.

The agriculture sector experienced a poor performance as this sector contracted by 3.8 per cent in GDP between 2015 and 2019. However, it is estimated to have increased by 20.2 per cent in 2020. The growth in the agriculture sector can be attributed to the fact that during South Africa's level five lockdown in 2020, the

sector was categorised as an essential service and could continue to operate. Furthermore, the most common crops in the Saldanha Bay area are wheat and planted pastures. The gross value of wheat production increased in 2020 and high prices boosted the agriculture sector.<sup>8</sup> However, employment did not mirror the positive GDP growth, and it is estimated that the sector shed 2 333 jobs in 2020.

**Figure 12: SBM GDP and employment performance per sector**



SECTOR	GDP		Employment	
	Trend 2015 – 2019	Real GDP growth 2020e	Average annual change 2015 – 2019	Net change 2020e
<b>PS</b> Primary Sector	-3.7%	18.7%	-70	-2 339
Agriculture, forestry & fishing	-3.8%	20.2%	-69	-2 333
Mining & quarrying	-2.4%	-20.5%	-2	-6
<b>SS</b> Secondary Sector	-0.1%	-10.2%	-29	-551
Manufacturing	0.0%	-8.4%	-25	-271
Electricity, gas & water	-0.3%	-6.7%	0	-3
Construction	-0.7%	-21.1%	-4	-277
<b>TS</b> Tertiary Sector	1.7%	-5.6%	603	-1 331
Wholesale & retail trade, catering & accommodation	1.6%	-9.8%	293	-563
Transport, storage & communication	-1.6%	-17.3%	0	-93
Finance, insurance, real estate & business services	3.3%	-2.7%	161	-278
General government	0.9%	0.9%	17	59
Community, social & personal services	2.3%	-1.5%	131	-456
<b>Total Saldanha Bay</b>	<b>0.3%</b>	<b>-3.6%</b>	<b>504</b>	<b>-4 221</b>

Source: Quantec Research, 2021 (e denotes estimate)

The manufacturing sector stagnated in terms of GDP growth between 2015 and 2019 and contracted by an estimated 8.4 per cent in 2020. The challenges in the iron and steel-production industry over this period have subdued the growth prospects of this sector substantially. The poor performance of this sector has resulted in an average of 25 job losses

per annum between 2015 and 2019, followed by a further decline of 271 jobs in 2020.

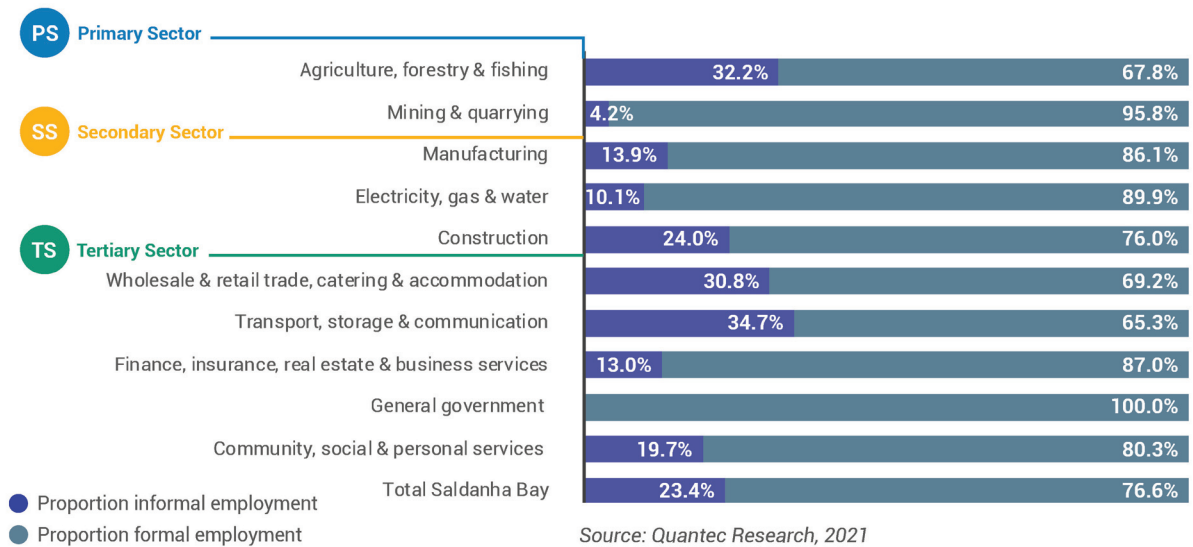
The majority of workers were formally employed (76.6 per cent), while 23.4 per cent of workers were informally employed. The transport sector had the largest portion of workers who were informally employed (34.7 per cent) (Figure 13)

and informal employment accounts for 32.2 per cent of the workers in the agriculture sector.

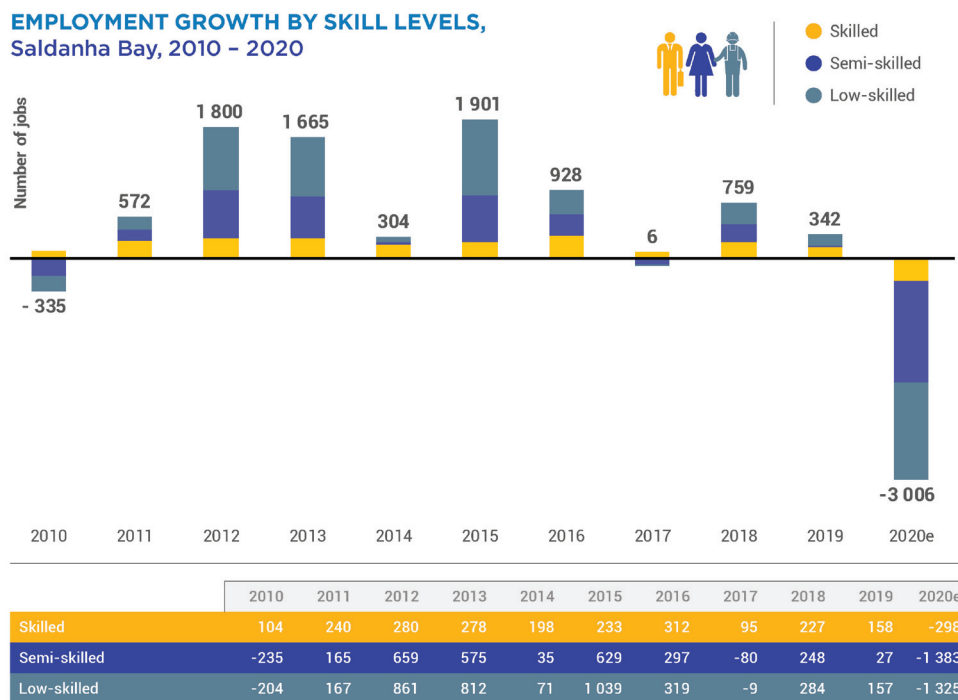
The ocean is a critical natural resource for the municipal area, given that the majority of the workers in this sector are within the fishing-related industry. This emphasises the importance of the smallscale fishing industry

to employment and the economy of the Saldanha Bay municipal area. Informal workers in this sector typically earn below-average compensation, which influences household income and spending power. This affects sectors that are dependent on household expenditure, as well as the income-earning abilities of the local municipality.

**Figure 13: SBM informal employment distribution, 2019 (%)**



**Figure 14: SBM employment growth by skill levels, 2010 - 2020**

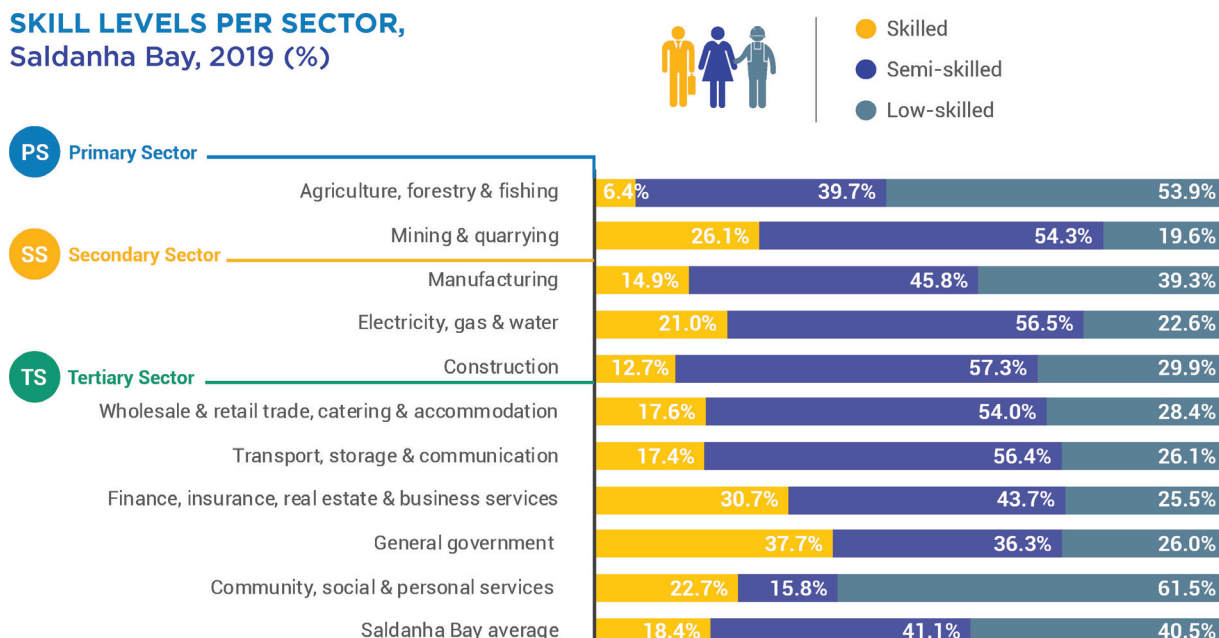


Between 2011 and 2019, 3 701 jobs for low-skilled employees were added to the municipal area, resulting in a net employment increase (Figure 14). This was able to compensate for the losses that occurred between 2009 and 2010. In addition, the Saldanha Bay municipal region indicated a net growth of 2 555 jobs for semi-skilled workers over the same period. The growth in employment for the low-skilled and semi-skilled workforce in the municipal area is likely to be because of the IDZ.

The estimates for 2020 indicate that formal job creation was negatively affected by COVID-19 especially for low-skilled workers: 298 skilled workers, 1 383 semi-skilled workers and 1 325 low skilled workers lost their jobs in 2020. The total number of formal employment opportunities lost in the Saldanha Bay municipal area in 2020 is estimated to be 3 006.

**Figure 15: SBM skills levels per sector, 2019 (%)**

**SKILL LEVELS PER SECTOR, Saldanha Bay, 2019 (%)**



Source: Quantec Research, 2021

In 2019, the Saldanha Bay municipal area was characterised by semi-skilled and low-skilled workers, with 41.1 per cent of workers being semi-skilled and 40.5 per cent of workers being low-skilled (Figure 15). In terms of the sector profile for the municipal area, the community services sector comprised mainly of low-skilled workers (61.5 per cent), followed by the agriculture sector (53.9 per cent).

Skills development programmes will play a vital role in the recovery of jobs lost owing to COVID-19. Skills development programmes in the municipal area could incorporate additional skills development, especially for low-skilled and semi-skilled workers. The future nature of

the IDZ developments will increase the demand for skilled and semi-skilled labour. Aligning skills development with skills needs in the declining agriculture and manufacturing economic sectors will create a more employable workforce.

**4.1.1.5 Potential risks**

The steel factory in Saldanha Bay was an important scale of manufacturing in the municipal area and the industry, and the substantially reduced operations at the factory early in 2020 impacted not only the local and national economy but also the entire value chain and on well-established partners such as Duferco Steel Processing, which is located



3km from Saldanha Works Steel Plant and relies on the plant's quality products, with minimal transport costs involved. Apart from the job losses and the impact on other downstream operations, this could greatly affect the trade balance of the municipal area in the future.

The impact of the job losses in 2020 will introduce several challenges for the municipality, as average household income will be directly affected. Revenue losses within the municipality will place pressure on the municipality, with increased demand from the local population for basic services.

Overall, the scale of the manufacturing industry in Saldanha Bay is of importance to the municipal and District economy and its contraction will likely cause a major dent in the economy going forward.

The fishing-related industry, which has not done so well in the last decade, could affect the livelihoods of the people in the municipal area, considering that the fishing industry is an important economic contributor in the Saldanha Bay municipal area. Skills development to "upskill" or "onskill" incumbents informally employed in the sector could play a vital role in the recovery and retention of jobs in the economy going forward, especially with the focus on marine transport and manufacturing in the IDZ.

## 4.1.2 Market Environment Analysis

### 4.1.2.1 Good practice in SEZs in Africa

The Handbook on Special Economic Zones in Africa: Towards Economic Diversification across the Continent (UNCTAD, 2021) aims to provide an Africa specific model of special economic zones based on lessons from experience and best practices, with a view to supporting the African Continental Free Trade Area and in the process accelerating the integration of Africa. The Handbook takes stock of the current state of play of African SEZs and it identifies several good practices through the analysis of case studies reflecting a variety of critical aspects and representing the specificities of diverse African regions.

Relevant lessons, ranging from the importance of the strategic focus and locational advantages to heightened attention to enhanced environmental and social standards, are brought out.

It is relevant to the Corporate Plan of the Freeport, in highlighting the summarised recommendations of its analysis, so as to set the aligned global and continental environmental context of the SEZ programme, especially when considering the provincial and national medium- to long-term policy environment, especially the Recovery Plan and Provincial Strategic Plan 2019 – 2024 with its Economy and Jobs objectives. Thus, the findings from the Handbook echo and align to the current provincial and national medium to long-term policy environment as described in section 3 and inform the context of the strategic priorities of the Freeport as outlined in section 4.3.

The empirical evidence stemming from the case studies highlights the following five points:

**1. Most successful zones have adapted their policies and strategic focus to both the local context and international economic trends.**

Copying the strategies of successful cases – generally, long-established and well performing zones that had a significant transformative impact on their surrounding environment, e.g. the Shenzhen SEZ in China – rarely works, as it is always difficult to reproduce the conditions that led to the success of the strategy being copied. This implies that, for most zones in emerging and developing countries to succeed, adaptation to the local context is a must. One key feature of many successful SEZ policies is a clear strategic focus in terms of realistic target sectors and investors based on a country's value proposition and comparative advantage. This often implies adapting policies to the country's endowments and responding to changing patterns in international production.

**2. Integrated SEZ policies and a coordinated institutional approach are of crucial importance for an SEZ programme to be effective.**

Integrated policies as opposed to stand-alone policies, are essential in ensuring policy

coherence across different policy areas (i.e. industry, education, transport, trade) that can contribute to the success of SEZ interventions. When policies are aligned, synergies are created, and benefits maximised. Similarly, a coordinated, whole-of-government approach to investment promotion assumes an all-important role in signalling to investors that the country's institutions are open for business and fully committed to facilitating investor activities. This sort of integrated proactive approach can considerably boost the chances of attracting anchor investors, often outdoing international competitors.

**3. International partnerships - with foreign governments, private firms or international institutions - can facilitate knowledge exchange, although caveats apply.**

The evidence stemming from SEZs in Mauritius and Nigeria and some recently established cross-border SEZs shows that developing zones in collaboration with international partners can help the host country to gain access to good practices. That said, knowledge transfers between partners do not happen automatically. Hence, setting up formal transfer mechanisms is of crucial importance in order to bring about an effective exchange of know-how. In addition, safeguards to mitigate the risks arising from conflicting interests, lack of trust and misalignment of objectives play important roles in determining the outcome of international partnerships.

**4. Enhanced environmental, social and governance (ESG) standards can render SEZs more competitive and attractive to investors.**

A focus on labour standards and environmentally friendly, gender-inclusive programmes can not only boost the societal contributions of SEZ policies, but also support resource efficiency within the zone. Solid ESG standards can therefore, furnish substantive positive externalities in terms of the productivity of SEZ-based firms. Increasingly, specialisation in "green" sectors enables SEZs to leverage investment flows in areas related to the Sustainable Development Goals (SDGs) as

initiatives aimed at providing support to vulnerable groups decrease staff turnover and enhance workers productivity.

**5. Proactive and targeted policy measures are pivotal to ensure that SEZs become policy tools for the diffusion of knowledge, innovation and economic dynamism, both inside and outside their gates.**

SEZs are increasingly assessed on their ability to spur economic development beyond their boundaries. To enable innovation-stimulating mechanisms such as labour circulation, the imitation of SEZ firm technologies and, in particular, the establishment of sourcing linkages between SEZ firms and local suppliers - ad hoc policy interventions, such as supplier development programmes and SME accelerators, can go a long way towards creating fruitful linkages between economic players.

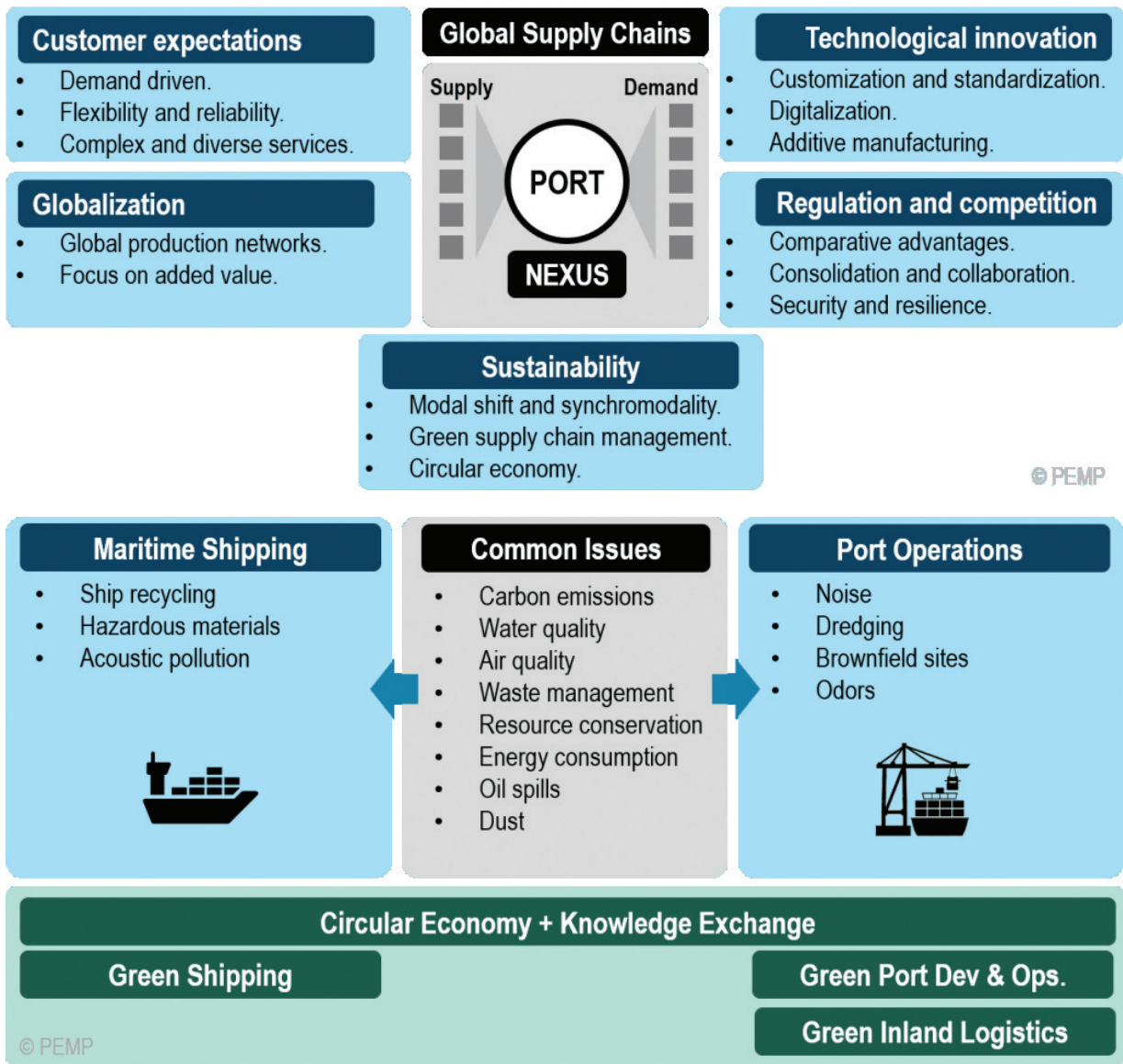
**4.1.2.2 The Freeport and SEZ Linkages**

The zone has significant advantages and synergies to bring to market due to its designation as a Customs Control Area (CCA) since 2019, making it South Africa's first Freeport, an SEZ in a Port with a CCA:

- A Freeport is generally defined as duty-free areas within or adjacent to a port of entry where imported goods may be unloaded for value-adding activities, repackaging, storage and subsequent re-export, subject to special and advantageous customs procedures, and
- And with an SEZ, generally defined as a geographically designated area of a country set aside for specifically targeted economic activities, supported through special arrangements and systems that are often different from those that apply to the rest of the country. In South Africa, they support a broader-based industrialisation growth path, while helping the country achieve the objectives of the NDP and other policy initiatives. They provide additional demand at the port nexus, which will assist the SEZ and the port to deliver on their mandates.

Freeport and SEZ linkages can thus be seen as zones, and ports are organised to serve the global economy and support regional and local development.

**Figure 16: Themes and issues for a Freeport and port interface<sup>3</sup>**



Port hinterlands have seen an emerging landscape for port-related activities, leading to their regionalisation, the setting of corridors, and logistical platforms such as rail links and dry ports.

An SBIDZ Freeport and TNPA port collaboration will enhance the delivery of both operations core mandates, create seamless interfaces for improved efficiencies, and allow global supply chains to be integrated into an economy to

address all the current and emerging common issues for the future sustainability of both.

Some of the specific advantages and synergies include:

1. Alignment of state entities such as TNPA and the SBIDZ-LC to leverage policy and resources,
2. Improved 'ease of doing business' and reduced administrative burdens for both,
3. Economies of scale and cost savings through shared facilities and processes,

<sup>3</sup> Source: Pallis TNA, Rodrigue JP, 2021. Port Economics, Management and Policy. <https://porteconomicsmanagement.org/pemp/contents/part1/ports-and-maritime-supplychains/port-nexus-global-supply-chains/>

4. Fiscal and trade-based advantages through incentives and policy initiatives,
5. Improved efficiencies through mutually beneficial collaboration and projects,
6. Ability to address common issues such as energy and water security, carbon emissions, climate change and the circular economy,
7. Pooled resources for innovation, knowledge exchange and 'Industry Four' initiatives, and
8. Opportunities for 'Public Private Partnerships' and innovative development models.

#### 4.1.2.3 Market Demand Analysis – Energy

The Freeport is extremely well positioned for commercially viable domestic, regional and export opportunities in energy markets, including oil and gas, green energy, and many of the associated manufacturing, assembly and services associated with economic activities in the energy sector in Southern Africa.

The context for energy globally has changed, opening up markets for the Freeport, based on existing and budgeted infrastructure and commercial scale contracts for offtake. The shift to cleaner and green energy, the concerns about storage linked to price and availability in the oil and gas supply chain, South Africa's international climate change commitments, and the Freeport's location and already installed infrastructure and services, provide a compelling business rationale relative to competitors in terms of its location and assets (many existing) for which demand is now growing almost exponentially and is likely to continue to do so into the future.

**The Freeport appears to have very significant comparative advantages in the new energy domain and some in the traditional energy supply chain.** A number of commercially viable opportunities in the energy sector are open to the Freeport, which are supported by very meaningful comparative advantages relative to other locations - largely driven by significant changes in demand and technology.

Its current advantages include, but are not necessarily limited to, its location, its status as a Freeport, the fact that it is a deep port, the essential nature of its location for maritime services linked to the shipping lanes it serves, its weather, its proximity to sources of renewable energy, the availability of significant useful land surrounding the Freeport for the development of essential renewable energy (RE) supply, the budgeted plans of Eskom, Transnet and TNPA, its proximity to Cape Town, the agricultural hinterland of the Western Cape, and the sun farms of Namibia, Botswana and the Northern Cape. It has the core of the infrastructure needed to provide services and manufacturing capacity.

These are significant comparative advantages in attracting investment to the Freeport in specific energy sectors and applications, which others do not enjoy, or where others cannot offer comparable solutions.

In cross-referencing focus areas and rationale, the following are specific priorities to examine in exploring the fullest realistic and sustainable opportunity of the Freeport as a comprehensive energy hub:

**Table 1: High level recommendations for a comprehensive energy hub in the Freeport, 2022**

Specific priorities	Rationale
<p><b>Focus areas</b></p> <ul style="list-style-type: none"> <li>• LNG imports in quantity - Immediate;</li> <li>• Significant storage capacity- Immediate for O&amp;G;</li> <li>• Traditional upstream O&amp;G E &amp; P activities;</li> <li>• Set up as green hydrogen manufacturing inside Freeport. Must link to RE - Immediate feasibility needed;</li> <li>• Focus on green maritime fuels as the hub for the global South and access to Africa – To be linked to feasibility above;</li> <li>• Focus on green ammonia, existing markets local and regional African linked to above.</li> </ul> <p><b>Services</b> related to the above priorities i.e. E &amp; P, wind turbine laydown, care, maintenance, decommissioning and recycling</p> <p><b>Manufacturing</b> - storage tanks, O&amp;G piping, cabling, energy storage batteries, wind energy turbine manufacturing, solar panel manufacture, battery and fuel cell manufacture.</p>	<ul style="list-style-type: none"> <li>• Oil to gas – local Eskom and Industry</li> <li>• No current LNG import facility in SA</li> <li>• Significant increase in demand for LNG, need for trader's storage and strategic buffer</li> <li>• E &amp; P offshore may take time to recover; risk has changed and timing uncertain</li> <li>• Green hydrogen and ammonia demand will grow exponentially over the next 5 to 10 years, with green ammonia demand increasing due to continued food shortages as a result of climate change in the short term</li> <li>• Green maritime fuels set to being implemented in international regulations within five years.</li> <li>• Tank storage needed for local needs and for exporters and traders.</li> <li>• Battery and Fuel cell storage needed for power back and in stationary applications, as well as small vessels.</li> </ul>

**Immediate (1-3 years)** opportunity-based activities using existing infrastructure and capacity include *tank storage* increases via the investor route, *grid storage* via the same route, *wind turbine lay down* with potential to attract investment due to larger wind energy markets in Africa, *solar panels manufacturing* with the solar farms of the Northern Cape, Namibia and Botswana as major target markets for example, initially, and *supporting resumed E&P activities* alongside the South African West Coast, south coast, Mozambique and beyond. The viability for an LNG terminal assessment should be finally and fully assessed and a decision made by the relevant project proponents.

Energy storage and related activities are a significant part of the South African National Integrated Resource Plan (NIRP). For example, a request for proposals for energy storage has been issued, targeted for release for February

25th, 2022, with preferred bidders required to reach financial close by September 25th, 2022.<sup>4</sup> Similarly, an RFP for gas to power will be issued a month later, which is of interest when linked to Eskom's plans for gas to power for the region.<sup>5</sup>

Investors in storage specifically are often pension fund managers and private equity funds as well as insurance firms, alongside manufacturers. There is possibly potential for engagement in terms of storage, whether for liquids or batteries, with the financial services industry, the Cape Town stock exchange, and carbon credit trading as approved by the Paris Agreement, (section 6). Early engagements with Renewable Energy suppliers from the REIPPP programme but also AMSA, Eskom, PPC, Tronox, and other local stakeholders will be needed to progress along the green energy value chain, as RE is the first step in the process.

<sup>4</sup> Briefing to the Parliamentary Portfolio Committee on Mineral Resources and Energy (2021).

<sup>5</sup> IRP 2019

Local wind energy production and production of solar energy are advised close to the Freeport on available land, based on predicted RE demand from Eskom and industry at large.<sup>6</sup> RE facilities can be set up in partnership with Eskom, or if preferred, with international investors or both, as offtake agreements are set to increase. Attention can be paid to the early stage of waste management in terms of recycling oil, gas and chemical waste or repurposing – such as in lubricants and more. Design of optimum energy hub infrastructure can be finalised and investors sought in parallel.

**Mid-term opportunity (1-5 years)** lies in piping, cabling and storage for oil, gas (possibly in engagement with AMSA and others as applicable) and the production of green chemicals such as hydrogen and ammonia, focussed on green ammonia for local consumption and extensive export, and green maritime fuels. A feasibility study is required to urgently understand how much RE a green hydrogen production process (to scale) will require and cost. Potential exists to link to recently published individual studies by the GMF and partners, the CSIR and the Department of Science and Innovation, amongst others.

*Renewable energy relationships with Eskom, AMSA and REIPPP entities should be formalised and concluded.* Use can be made of existing infrastructure in the early stages of development. Markets are domestic, regional, and international. For green ammonia and hydrogen, the EU and Japan are currently the main markets and South Africa is extremely cost competitive, with the Saldanha region most competitive to the EU<sup>7</sup>. This will require engaging from year one with the main international actors in the green hydrogen economy (including batteries) in the private sector (Anglo American, Engie and others) as well as funding sources for the green economy.<sup>8</sup> Connecting with companies like Siemens on distributed energy solutions and energy storage, particularly grid energy storage, will be constructive. Firms

manufacturing batteries and storage for grid backup are considered important investor targets currently.

**Longer term opportunity (1-10 years)** lies in phasing the Freeport as a comprehensive energy hub in the South, focussing on green (low/no carbon), serving the maritime industry, exporting green energy, and serving domestic markets along RE, Oil and Gas, Green Hydrogen and Green Chemicals value chains. This will include specific (and probably niche) goods and services related to the value chains as they unfold. Examples include a full circular economy linked to energy. By this stage, much will have changed as the external economic environment is in a state of extreme dynamism. A review should be conducted of key invested markets periodically by engaging directly with investors and industrialists in the region.

#### 4.1.2.4 Market Demand Analysis – Maritime

'Marine Manufacturing and Services sectors include ship and boat building, marine fabrication and component supply, ship and oil rig repairs and maintenance, ship recycling and 'green' recycling, ship upgrade and refurbishment and the value chain of supporting services for the sector (including abnormal, project and bulk logistics). This is broadly defined as the maritime sector.

The market assessment has investigated global and local trends, market drivers, size and locations of markets, growth rates and various segments, together with the impact of Covid-19 and the emerging drivers of future trends, including new maritime fuels and carbon abatement. This analysis has drawn the information to a South African and then Western Cape and Saldanha Bay level, with a number of maritime opportunities and their application identified, together with market demand potential indicated, where available.

<sup>6</sup> Eskom plans and allocations, - 2031 (2021)

<sup>7</sup> South Africa's potential to export green hydrogen boosted (engineeringnews.co.za); [https://www.tips.org.za/images/TIPS\\_Green\\_hydrogen\\_A\\_potential\\_export\\_commodity\\_in\\_a\\_new\\_global\\_marketplace.pdf](https://www.tips.org.za/images/TIPS_Green_hydrogen_A_potential_export_commodity_in_a_new_global_marketplace.pdf)

<sup>8</sup> Roos, T., Mbatha, L., Oloo, F., & Chauke, M (2021), Potential local offtake volumes enabled by a future renewable hydrogen export supply at Ports of Saldanha Bay and Ngqura. Webinar. EE Business Intelligence and the EU Delegation to South Africa. November 24th 2021

**Table 2: High level market potential for maritime manufacturing and services, 2022**

#	Item and Timing	Market & Application	Market Demand Potential
1	Ship and Boat Building [Immediate & Port Infrastructure dependent]	Ship fabrication – Public & Private, Commercial boat fabrication – Public and Private Leisure boats & yachts, Import substitution, and Export competitiveness	Africa: UN, AU, AfCTA, AIM 2050. AEZO, SADC, Yachts for export, SOM of R 89.9 million
2	Vessel / Rig Repair & Scrapping (Green) [Immediate & Port Infrastructure dependent]	Green ship recycling, Vessel servicing, 'Wet' repairs (Floating Dock), and Planned & Emergency repairs.	Vessels past SA (9,011 in 2020), Shorter scrapping cycles, 'Green' scrapping trend, SOM of R 570 million.
3	Maritime Services [Phased SBIDZ]	Industry Four (4IR), ICT & 'Digital', IMO Certification / Registration, Ship fuel upgrades & 'Carbon' fitment.	TAM – Large in US \$.
	SA Leisure & Commercial Boats, Yachts & Kayaks	Boats, components, services, sales. 67 firms with 3,382 employees	SAM of R 4.2 billion SOM of R 2.8 billion
4	<b>Export</b> Maritime (HST <sup>9</sup> ) Competitive Advantage [Phased SBIDZ]	Yachts and other vessels, 'Other' vessels (HST), Light vessels, floating cranes, and Radar, radio & electric lamps.	TAM of R 6.1 billion (SA) TAM of R 2.8 billion (WC) Competitive advantage, Leverage of Cape Town.
5	<b>Import</b> Market (HST) Substitution [Phased SBIDZ]	Tankers & transport vessels, Yachts & 'Other' vessels (\$15 bn), Stranded wire & cables (steel), and Wiring, electric lamps.	TAM of R 3,808 billion (SA), SAM of R 2,816 billion (SA), Local imports growing, Capacity/Skills to replace (?)
6	Energy [Infrastructure Provision]	ICT & 'Digital', fabrication, upgrades.	TAM – Large in US \$.
7	Steel Industry [Phased SBIDZ]	Synergy with ship building, scrapping.	TAM – Large in US \$.
8	<b>Strategies, Cross Cutting Issues and Enablers:</b> <ul style="list-style-type: none"> <li>- Common User Facility (CUF) – Synergies and 'Crowding In' effects.</li> <li>- Timing: Establish Port Infrastructure.....Enabler of a range of related activities.</li> <li>- Africa &amp; Cape Town Market Overflow – Ship Building / Repair / Scrapping.</li> <li>- Import Substitution (HST) – <i>Develop</i> competitive advantage.</li> <li>- Export Promotion (HST) – <i>Harness</i> competitive advantage.</li> </ul>		

**TAM:** Total Addressable Market; **SAM:** Serviceable Available Market; **SOM:** Serviceable Obtainable Market<sup>10</sup>.

<sup>9</sup> Harmonised System Tariff

<sup>10</sup> The concept of the 'Total Addressable Market' has been used for the full market potential, within the context that South Africa is only able to realistically consider the 'Serviceable Available Market', and that when the geographic location, physical facilities and infrastructure, knowledge base and skills, policy, finance and incentives are considered objectively, then the 'Serviceable Obtainable Market' is the market that the Freeport could realistically consider for its operations and strategic objectives.

This market demand assessment has been undertaken in the context of the current South African socio-economic policy and political framework which has necessitated an evaluation of the potential competition, strengths weaknesses, opportunities and threats with the traditional PESTEL and SWOT analysis frameworks, including deliverables to date. Policy uncertainty, a lack of critical service delivery, particularly electricity and state capacity are highlighted as significant risks which could undermine the efforts of the Freeport to attract international market participants and partners, as may be required in order to approach the potential markets highlighted here.

Actions and initiatives which could be undertaken to facilitate the market potential within the Freeport are:

**A higher order Common User Facility (CUF):** Implement a higher order CUF similar to those in Cornwall, UK Darwin, Western Australia, to benefit from the significant synergies that this creates and the crowding-in of maritime industrial activity, as well as the already established and operational Project Leasing Facility in the Freeport.

**Establish Port Infrastructure:** Develop the proposed port infrastructure and improve the speed of deployment in order to be able to take earlier advantage of the synergies between the port infrastructure and the related landside maritime activities, in particular the higher order CUF.

**Competitive Advantage - Western Cape and Cape Town:** Use the localised competitive advantage and skills base to the maximum to leverage opportunities by reducing capacity constraints in Cape Town and allowing expansion into African and further markets. A focused marketing drive should be considered to highlight the compelling value proposition of the combined region.

**Import Substitution (HST):** Develop competitive advantage for the maritime manufacturing sectors that have been identified for import substitution. This would include all the factors of production mentioned earlier.

**Export Promotion (HST):** Harness the competitive advantage which is in close proximity and develop this into a cohesive and compelling market offering with the synergies that maritime clusters offer, to enhance the overall position of all industry participants.

## 4.2 Internal Environment Analysis

### 4.2.1 Accounting Authority

#### Policy formulation and oversight

The Board is committed to the highest standards of integrity and ethical behaviour. The code of conduct outlines the values and behaviours that govern their way of working across the business. It fosters values-based decision-making and demonstrates how the policies and practices align with the values. The values define the way the Board and employees think, work and act. The Company is committed to shared growth which means having a positive impact on society and delivering shareholder value. This is an indication of good corporate citizenship.

Strong ethical leadership and corporate governance is driven through the Board Charter, which is the foundation of the governance principles and related practices. The charter clearly sets out the matters reserved for the Board. The role of Board members are clearly articulated and outlines the mandate of all Board and Committees. All company policies are discussed and approved by the Board.

#### Supervising management

Through the Board and its three Committees, the Board is able to provide the necessary management supervision. The various Committees are able to provide the required focus on specific areas of the Company, namely, the Audit, IT and Risk Committee, Human Resources, Remuneration, Social and Ethics Committee and Investment Committee.



The internal governance framework has been defined to manage risks. Independent internal audit provides internal assurance to the Board regarding effectiveness of internal controls and governance. External auditors provide assurance on the Company's capability. Financial reporting is provided to the Board and reviewed in the Audit, IT and Risk and Investment Committees. The Audit, IT and Risk Committee is responsible for financial results and annual budgets.

### Ensuring accountability

The Board and Committees aim to meet quarterly. The responsibilities of the Committees mandate include internal controls, operational risk, compliance, internal and external audit, accounting and external reporting. External auditors also provide assurance to the users of the annual financial statements, owners, regulators and legislators. External auditors are appointed and are accountable to the Board. The Chairperson and Chief Executive Officer lead engagements with the regulators and Shareholder.

The Board is accountable to the Shareholder and is responsible for creating and delivering

shareholder value. The right balance is ensured in promoting long-term growth and delivering short-term performance.

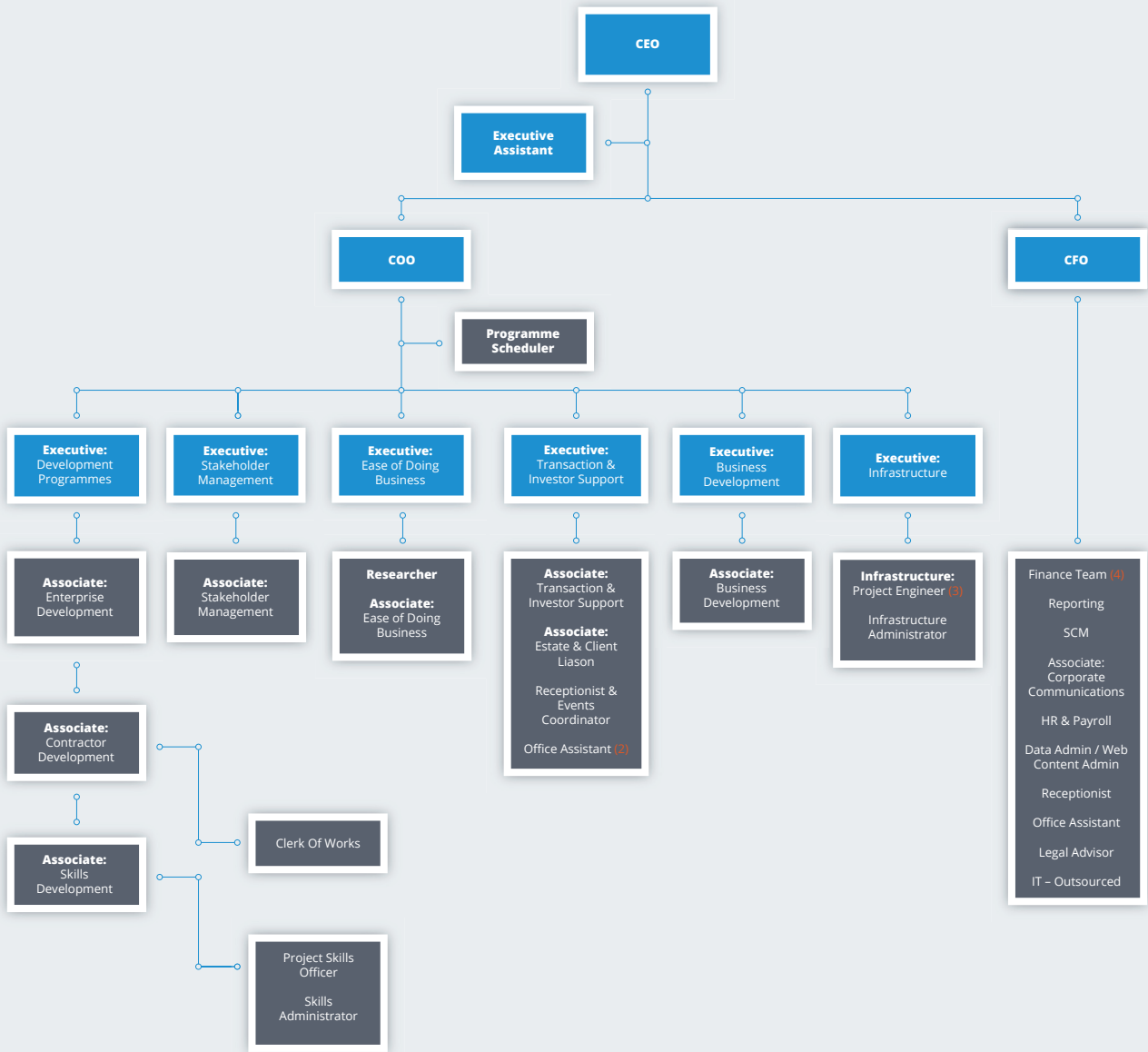
### 4.2.2 Human Resources

Human resources are structured to ensure setting up the Freeport effectively and efficiently. There are two programmes in the Company, namely, Administration and Operations. The goals and objectives of each are clearly documented and aligned with the strategic goals of the Company.

Going forward, it is anticipated that the number of staff may marginally increase, particularly once the zone becomes fully functioning and will require the necessary competence and capabilities to remain a world-class Freeport. This process will take place gradually over the period 2020/21–2024/25, with due responsiveness to the Company's ability to deliver against its strategic priorities and its fiscal environment in a tough business environment and low investment climate.

The current organogram is included - see figure 17.

**Figure 17: Company Organogram**



### 4.2.3 Information Communication and Technology

The Audit, IT and Risk Committee govern technology and information in a way that supports the Company's setting and achieving of its strategic objectives. The Committee's responsibilities include overseeing results of management's implementation. This includes integration, business resilience, monitoring for responsiveness to cyber security and

social media risks, third-party and outsourced service provider risks, value delivered from technology investments and projects, disposal of obsolete technology and information, ethical and responsible use and compliance with laws.

The Information Technology policy and frameworks are approved by the Board and reviewed every three years to ensure that it is in keeping with industry best practice.

#### 4.2.4 Financial Resources

A fundamental financial objective of the foreseeable future is to achieve self-sustainability. Tied to the aforementioned, is the equally important objective of operating an efficient zone to facilitate the attraction of domestic and international investors.

The Administration Programme has the overarching objective of implementing best practice governance in support of the operations. The programme has a complex role due to its need to balance the business needs and requirements of the operations, whilst at the same time undertaking a crucial governance function within the Company as a state-owned company, providing a treasury function to ensure optimum spending and utilisation of financial resources.

Functions of the unit includes budget maintenance, supplier maintenance, audit maintenance, tax management, annual financial statements, ensuring compliance with SCM legal framework and other relevant legislation, fixed assets management, cash management, financial management, securing funding for operational needs and capital projects and reporting to stakeholders. The reports issued by the Company enable stakeholders to make informed assessments of the Company's performance, and its short, medium and long-term prospects. The successful execution of these functions will continue to improve the drive to commercial self-sustainability. The budget for fiscal year 2022/23 is as follows:

**Table 3: Medium-term Company Budget Summary**

Description	Audited	Audited	Estimated outcome			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
Operational Expenditure	66,739	74,721	78,783	82,282	85,272	89,110
Capital Expenditure	247,658	128,992	105,304	131,372	253,503	227,632
<b>Total Expenditure</b>	<b>314,397</b>	<b>203,713</b>	<b>184,087</b>	<b>213,654</b>	<b>338,775</b>	<b>316,742</b>
Staff complement	37	48	48	48	48	48

**Table 4: Medium-term Programme 1: Administration Budget Summary**

Description	Audited	Audited	Estimated outcome			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
Operational Expenditure	21,823	26,896	20,850	21,178	21,756	22,735
Capital Expenditure	490	715	686	773	810	846
<b>Total Expenditure</b>	<b>22,313</b>	<b>27,611</b>	<b>21,536</b>	<b>21,951</b>	<b>22,566</b>	<b>23,581</b>
Staff complement	17	20	20	20	20	20

**Table 5: Medium-term Programme 2: Operations Budget Summary**

Description	Audited	Audited	Estimated outcome			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
Operational Expenditure	44,916	47,825	57,933	61,104	63,516	66,375
Capital Expenditure	247,168	128,277	104,618	130,599	252,693	226,786
<b>Total Expenditure</b>	<b>292,084</b>	<b>176,102</b>	<b>162,551</b>	<b>191,703</b>	<b>316,209</b>	<b>293,161</b>
Staff complement	20	28	28	28	28	28

### 4.3 Strategic Priorities over 5-Year Planning Period

The 5-Year Strategic Plan of the Company remains relevant, despite the onslaught of the pandemic, as the Plan considered had sufficient robustness to withstand the needed changes due to the pandemic, which caused delays and shifts in private and public sector investment into the economy – and which the SBIDZ was also affected by.

Nonetheless, a revised business framework had been tabled and accepted by the Board for 2021 onwards, because the fundamentals of the business' strategic priorities have not changed. Figure 18 depicts the framework. The Strategic Priorities of the Company remain and are now accompanied with result/impact statements. These have been incorporated into Management's performance management system under eight (8) business goals within a balanced scorecard approach (Figure 19).

**Figure 18: 2021-2025 Business Framework**

<b>Mission</b>	Fostering responsible investment in the Freeport, as an inclusive and sustainable economic catalyst			
<b>Values</b>	Pioneering	Partnership Focused	Accountable	Sustainability-Driven
<b>Vision</b>	Our vision is to be Africa's premier maritime, energy and logistics Freeport, offering a world-class integrated shipyard, engineering, fabrication, logistics, services Freeport environment to zone users and tenants.			
<b>Strategic Priority</b>	Commercial Self-Sustainability	Catalytic Infrastructure & Facilities	Local & Industry Readiness	Business, Government & Society Partnerships
<b>Strategic Result</b>	Increasing value created for Shareholders & Stakeholders alike, for now and years to come.	Increasing contribution to local & regional productivity and employment.	Strong & competitive local & regional value chains for the maritime & energy industries.	Accountable professional business relationships, supported by a brand promise based on successes in inclusivity, transformation and sustainability.

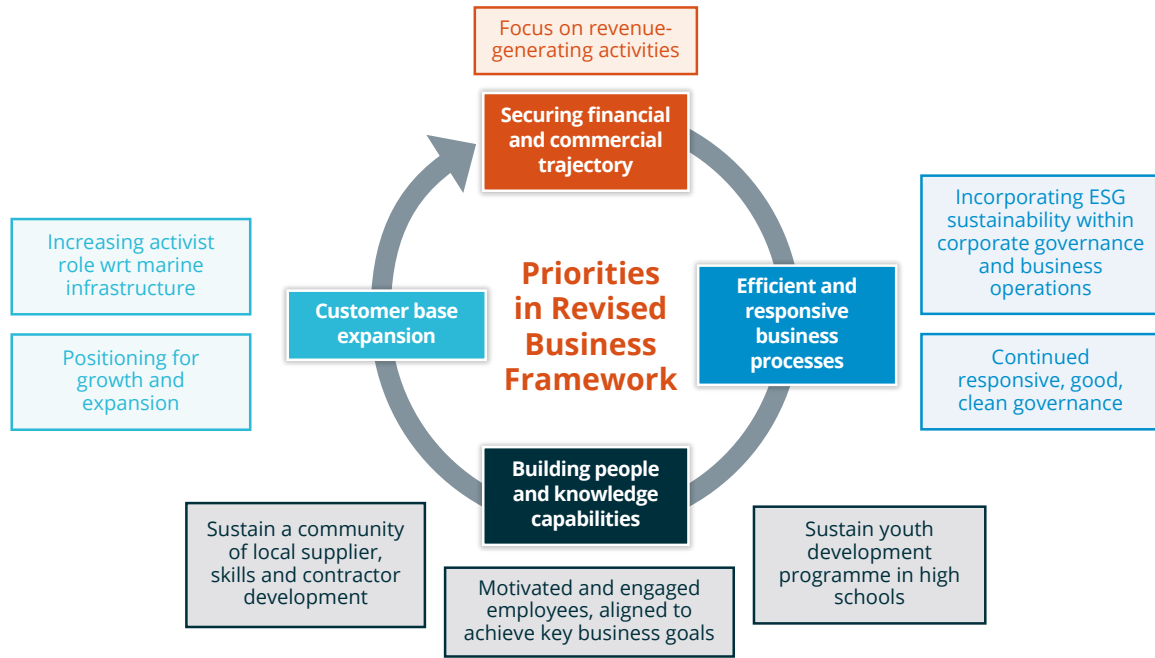
One of the policy trade-offs identified with the WCG in the revised business framework is the strong focus on commercial self-sustainability, because in the event that the Company is not

able to receive government funding, or receives reduced funds or rental as currently forecast, alternative measures must be put in place to mitigate the risk. The organisation's resources

should be used to generate revenue for the financial sustainability of the Company. This could be done by methods, such as leveraging of capital assets of the SEZ, obtaining partners to develop the land assets and / or bring in own

customers to set up in the SEZ, or obtain funding from alternative sources; and the Board and Management utilise the existing good corporate governance systems and processes to evaluate this risk proactively.

**Figure 19: Revised Business Goals in Balanced Scorecard**



**4.3.1 Policy and Priority Alignment**

The goal of the theme of **Jobs** in the WCRP is to create an enabling environment for job creation, primarily through supporting the private sector and markets, thereby improving wellbeing and safety.

Five recovery focus areas aim to create an enabling environment to grow the economy and create jobs, and this is supported and aligned to the company's strategic priorities as described in Figure 20, where examples of programmatic alignment are provided between the recovery focus areas and the strategic priorities.

The contribution to the focus areas is evidenced by the Company's investment promotion mandate, the investment pipeline established, and infrastructure developed, where investments are already realised and in operation in the Zone. In addition, the SBIDZ in its 5-Year Strategic Plan and Corporate Plans commits the Company to

taking a more activist role regarding enabling, catalytic port infrastructure in the zone and port namely, through the Cost Benefit Analysis and Environmental Impact Assessment for marine services infrastructure recently completed. This project has been shortlisted as one of the five catalytic infrastructure projects within the Western Cape for the Infrastructure South Africa programme, led within the Presidency of South Africa. Another important area for the Company in the new year will be to resolve the regulatory bottlenecks within the biodiversity offset strategies and policies of the province, which prevents investment and expansion of the zone, its tenants and new investors.

Investors in the zone will be import and export facing and stand to access unique benefits within the Freeport in the SBIDZ, which is a first for South Africa, a customs-controlled area within an SEZ within a Port. Eligible firms will benefit from the globally competitive customs and value-added tax (VAT) regime across 70% of

the zone's land. It is a universal benchmark for ports and zones to our industry target audiences of a streamlined, fast, secure, cost effective customs and logistics system, saving them time and money.

The SBIDZ also contributes to the "Scale up of work opportunities and skills for people without jobs" through its development programmes. This is to a lesser degree (versus traditional social development programmes) as the SBIDZ undertakes industry-targeted skills development, always with a business end goal in mind, as a strategic link between local citizens and the maritime and energy markets to create a pipeline of competent, accessible, and competitive skills capacities.

In the long term, through the Saldanha Bay Innovation Campus programme, the SBIDZ will also contribute to the "Economic Resilience" focus area, as a just transition to lower carbon economies is enabled by competitive investment into research, design and innovation into lower carbon-needing and producing technologies in industrial systems, such as those that will be located in the SBIDZ.

In summation, the four strategic priorities of the Company, taken together, will create a conducive, enabling business environment in and around the zone, and will facilitate positive value-adding outcomes and impacts to the local and provincial economy and societies and is aligned to "VIP 2: Economy and Jobs" by focusing, amongst other things, on attracting direct investment, increasing employment and contributing to the Western Cape Province GDP through increasing value-added production and the generation of new and innovative economic activities specifically within the marine and energy industries.

Secondly, narrowing in on VIP 2 alignment, the four strategic priorities of the Company addresses key challenges of an unclear and inefficient regulatory environment and difficult access to key resources, services, facilities, both public and private, in a proactive manner.

Lastly, within the context of constrained provincial economic growth and increasing pressures for public services, that the Company

is committed to becoming independent of provincial funding over the period is indicative of policy and priority alignment to the condition of the public fiscus, and speaks to the Company's values of being a responsible, accountable public corporate citizen, but also to its vision of becoming a pioneering entity for generations to come in Saldanha Bay and beyond. That certain policy trade-offs will be required of government in its oversight of the SEZ, to ensure its commercial self-sustainability within the shrinking fiscal envelope, is of importance.

Therefore the strategic priorities and the programmatic approach of the Company are aligned to the provincial and national medium to long-term policy environment, in particular the WCRP and the PSP 2019-2024, and the outcomes, outputs, deliverables, targets and indicators in the Corporate Plan are aligned to key interventions in the WCRP and PSP 2019-2024.

### 4.3.2 Enablers

To achieve our strategic priorities, we require the following:

#### 4.3.2.1 External Enablers

##### **1. Integrated SEZ policies and frameworks supports an enabling, effective environment**

The SEZ programme requires coherence with regard to initial funding support from relevant departments and institutions, specifically in respect of SEZ operational funding, capital funding, investment incentives, developmental programme initiatives, and project financing from development financing institutions, as applicable.

Strong relationships with the primary partners, specifically the Western cape Government, the Saldanha Bay Municipality, the West Coast District Municipality, Transnet/TNPA, the dtic, Treasury (both Provincial & National) and Trade Unions are in place. These must be enhanced with clear shared commitments and responsibilities towards signalling to investors that the country and its institutions are open

## Figure 20: SBIDZ Strategic Priorities Alignment to Recovery Focus Areas

### Accelerate Ease of Doing Business

*Enable the ease of doing business by addressing 1) the binding and systemic constraints in the economy, and 2) the red tape of government and its agencies*

- **Commercial Self-Sustainability:** The EODB Centre & Freeport model operationalisation – a first for South Africa- with SARS, DHA, DOL, WCG, etc.; Enhanced funding facilitation role with DTIC, IDC, SEFA, others.
- **Catalytic Infrastructure & Facilities:** Solving biodiversity offsets regulatory challenges which hold back investment and expansion
- **Local & Industry Readiness:** The SME Co-lab which provides a free, co-working space for SMEs; Access Complex facility
- **Business, Government & Society Partnerships:** The Innovation Campus, which seeks to encourage collaboration and clustering; Zone Labour Charters between tenants and trade unions

### Boost investment and exports

*Boost private sector investments and promote and support exports*

- **Commercial Self-Sustainability:** Targeted customer marketing and investment promotion strategies; Secure partnerships with Transnet and TNPA; Enhanced business intelligence with provincial investment ecosystem role-players; Managing funding risk through effective utilization of company's resources and assets
- **Catalytic Infrastructure & Facilities:** New port infrastructure, The marine EIA; Secure land and utilities to investment-readiness
- **Local & Industry Readiness:** Enterprise and Skills Development programmes
- **Business, Government & Society Partnerships:** Freeport model operationalisation with SARS, DHA, DOL, WCG, etc.

### Boost infrastructure

*Stimulate the economy by boosting infrastructure investment and job creation in the public sector*

- **Commercial Self-Sustainability:** Secure land and utilities to investment-readiness; Secure partnerships with Transnet and TNPA
- **Catalytic Infrastructure & Facilities:** New port infrastructure; The marine EIA; Integrated, holistic infrastructure and services planning and provision with local and regional authorities; Solving biodiversity offsets regulatory challenges which hold back investment and expansion
- **Local & Industry Readiness:** Contractor Development initiatives within infrastructure delivery
- **Business, Government & Society Partnerships:** Collaboration with state programmes such as Infrastructure South Africa, SIPs; Collaboration on hydrogen and gas project partnerships with state and international stakeholders

### Scale up work opportunities and skills for people without jobs

*Boost employment for people without work through accelerating skills supply and work placement initiatives*

- **Commercial Self-Sustainability:** Retain Development Programmes unit
- **Catalytic Infrastructure & Facilities:** The SME Co-lab facility
- **Local & Industry Readiness:** Enterprise and Skills Development programmes, Contractor Development initiatives within infrastructure delivery
- **Business, Government & Society Partnerships:** The High School Programme and Smart Skills Centre initiative; The WOSA and JDA programmes with SBM, WCG and WCDM

### Economic resilience

*Enable energy and water resilience*

- **Commercial Self-Sustainability:** Evolve market position to broader maritime and energy themes, including a life-cycle value chain approach with a regional focus
- **Catalytic Infrastructure & Facilities:** Partnerships with DEDAT and SBM on MER programme
- **Local & Industry Readiness:** The Innovation Campus; Enterprise and Skills Development programmes
- **Business, Government & Society Partnerships:** The Innovation Campus

for business, and are fully committed to facilitating investor activities and affected and interested stakeholder's interests and needs, as applicable.

This is a prime external enabler required to support the strategic priorities of the Company, as the SEZ programme in South Africa does not have an all-encompassing mandate and so must work with the public sector to secure the enabling, effective, environment for the programme in a competitive international investment climate.

## **2. National infrastructure drive and institutional reforms within key state-owned companies.**

The ERRP is the culmination of work between government, business, labour and community at NEDLAC and includes key commitments from each stakeholder to achieve its objectives, and it has a key focus on accelerating the delivery of bankable infrastructure projects for private sector participation, such as those driven through the Infrastructure South Africa office within the Presidency. This supports the Freeport's strategic objective of facilitating and delivering catalytic infrastructure, namely, for the port infrastructure project for the maritime and energy sectors. The Freeport has already committed resources towards an Early Business Case during 2020 and 2021.

Operation Vulindlela is a government-wide approach through which Ministers, departments and entities implement structural reforms. The Vulindlela unit in the Presidency and National Treasury monitors progress and actively supports implementation. Its aim is to fast-track the implementation of high-impact reforms, addressing obstacles or delays to ensure execution on policy commitments.

Operation Vulindlela aims to modernise and transform network industries, including electricity, water, transport and digital communications. These network industries are the bedrock of economic growth and are essential to creating a globally competitive economy. In addition, reforms to the visa regime are being prioritised to attract skills and promote growth in tourism.

Regarding the priority reforms in the transport sector pertinent to the Freeport, is the corporatisation of the TNPA as required by the National Ports Act, and is intended to increase the competitiveness of South Africa's ports by separating its functions from other divisions within Transnet. In addition, reducing the costs and improving the efficiency of South Africa's ports is crucial to the competitiveness of the country's exports and the overall functioning of the economy. Operation Vulindlela is working closely with the Department of Public Enterprises, the TNPA and other agencies to enhance port operations, including through concessions where appropriate, and to ensure better coordination between agencies involved in facilitating trade.

A key risk to this external enabler is that though the reforms are institutionalised, there are no definitive timelines on when the reforms will be completed, which causes concern and uncertainty during the process and may affect the progress on matters within Transnet, TNPA and network utilities overall.

### **4.3.2.2 Internal Enablers**

#### **1. The Freeport's strategic, targeted focus on maritime and energy sectors is aligned with the natural and manmade endowments of the Port of Saldanha, the Saldanha Bay municipal area and the Western Cape, and responds to changes in international production and demand.**

The Port of Saldanha is a greenfield port, the deepest and one of the largest ports in the Southern Hemisphere, with existing demand and networks to global shipping and maritime markets, goods and services.

With the initial focus on upstream offshore oil and gas base, and with the competitive advantages above in an increasingly changing pattern of consumption and production to lower carbon-intensity, the Freeport and the Port have the potential to serve a comprehensive value chain within the energy sector, not just oil and gas but energy provision and energy services. The Freeport and Port has significant advantages to create a hub, not only for



bunkering and servicing zero carbon vessels, but also for exporting zero carbon fuels as a commodity while finding offtake opportunities with local industry to decarbonise their production.

This strategic, targeted focus supports the existing macroeconomic and socio-economic attributes of the District and SBM, with its large fishing and manufacturing base already in place. In addition, the Freeport designation in place since 2019, over the designated Customs Control Area within areas of the Port, with standard operating protocols with SARS, Department of Home Affairs, Department of Labour, and TNPA Port Security, establishes a competitive advantage to qualifying manufacturers and logistics firms importing and exporting raw materials and goods.

Lastly, the assets, facilities and services already established and provided within the Freeport, supports the business attractiveness of the Freeport to these targeted sectors and investment promotion.

**2. An integrated, strategic and coherent corporate governance universe within the Freeport enables the company's effective allocation of resources to prioritised and mandated systems, strategies and functions.**

The Freeport has invested in establishing a unique corporate governance universe that dually retains its state-owned company corporate governance accountabilities and responsibilities with its business enterprise nature as the operator of the Freeport. In so doing, the Freeport institutional structure is supportive of its commercial and economic development needs, and the monitoring of performance against agreed performance metrics.

**3. The programmes within the Freeport and the Saldanha Bay Innovation Campus encourage knowledge, innovation and technological capacity spillovers**

The Development Programme unit within the Freeport aims to maximize local economic development and empowerment, through increased participation and beneficiation of

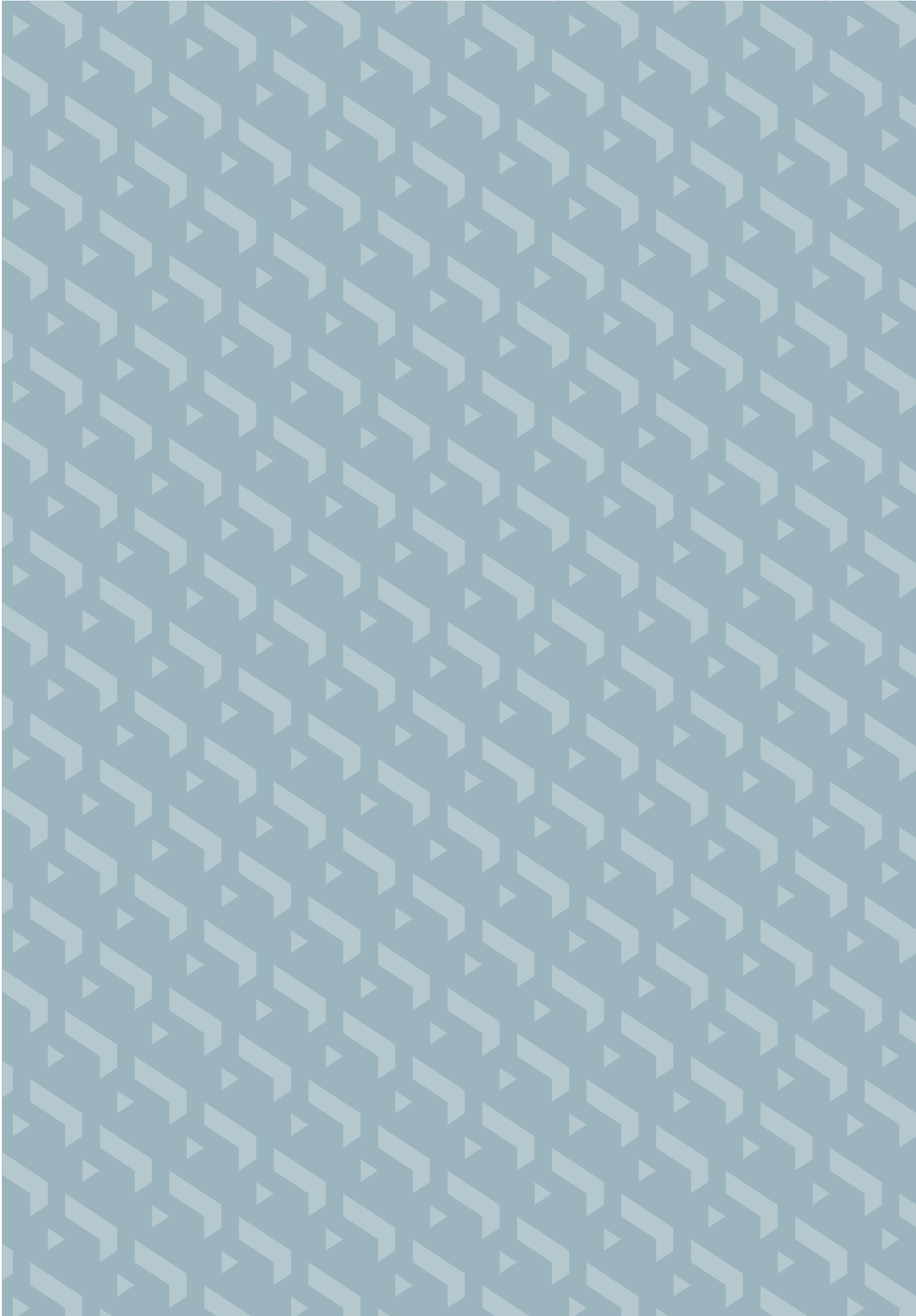
citizens and businesses in Saldanha Bay in Freeport programmes and activities. The three central pillars of its focus are skills development, enterprise development and contractor development, in a demand driven context and informed by the opportunities that emerge from the value chains and changing trends within the global maritime and energy sectors, thus it facilitates the knowledge and technological capacity of participants on its programmes. It does so in partnerships with many diverse institutions in the public and private sectors.

The Saldanha Bay Innovation Campus will contribute the just transition to lower carbon economies, enabled by attracting leading investment into research, design and innovation programmes, into lower carbon-needing and producing technologies in the production systems of the maritime and energy sectors, with a constant principle to collaboration between local and international businesses, institutions and communities.

### 4.3.3 Assumptions

Key assumptions to the Strategic Plan are as follows:

- Continuity of government funding for the medium and long-term, as applicable. The SEZ Fund is pivotal to achieving our priorities over the next 5 years.
- Continued support of the strategic government partners to the SBIDZ-LC, and the establishing and operating of a world-class, integrated, industrial Freeport and shipyard.
- Future investment in port infrastructure, enabled through diligent project packaging and preparation for financing and implementation.
- Appropriate interpretation and continued access of the Freeport model and its incentives (inclusive of industry-aligned and SEZ programme incentives) via the Customs Control Area legislative and regulatory framework, to the SBIDZ-LC and its investors and users.
- Continued support of organised labour, through the Zone Labour Charter framework, to give effect to sound labour relations within the zone.





# C

MEASURING  
OUR  
PERFORMANCE

## PART C: MEASURING OUR PERFORMANCE

### 1 Institutional Performance Information

#### 1.1 Impact

To create an enabling inclusive, sustainable environment by fostering responsible investment in the zone, as an inclusive and sustainable economic catalyst.

#### 1.2 Overall for the Company

##### 1.2.1 Outcomes, Outputs, Performance Indicators and Targets

Over the period in respect of the Western Cape, it is estimated that the zone would contribute R6,3bn to direct regional Gross Domestic Product (GDP-R) and for the country, R7,8bn to total GDP-R. On average 1 485 direct jobs would be sustained annually with a further

3 000 indirect and induced jobs, and over the period, 7 800 total jobs would be sustained in the province.

In terms of specific strategic outcomes, the zone would create an enabling environment to promote sustainable economic growth and job creation by:

- Facilitating a cumulative contribution to the National GDP by investment within the zone of R11,87 billion by the end of the financial year 2024/25;
- Facilitating a cumulative contribution to the Western Cape GGP by investment within the zone of R10,62 billion by the end of the financial year 2024/25;
- Facilitating the creation of 12 000 direct, indirect and induced jobs throughout South Africa by the end of the financial year 2024/25.

**Table 6: Company Medium-term Outcome and Targets**

Outcomes	Outputs	Output Indicator	Annual Targets						
			Audited Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
To promote sustainable economic growth and job creation	GDP	A cumulative contribution to the National GDP by investment within the zone by the end of the financial year 2024/25.			R1,11b	R0,644b	R1,084b	R1,295b	R5,462b
	GGP	A cumulative contribution to the Western Cape GGP by investment within the zone by the end of the financial year 2024/25.			893m	R0,524b	R0,890b	R1,058b	R4,396b
	Jobs	The creation of direct, indirect and induced jobs throughout South Africa by the end of the financial year 2024/25.			1 788	1 095	1 875	2 257	9 367

**Table 7: Company Medium-term Indicators, Annual and Quarterly Targets**

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.1	A cumulative contribution to the National GDP by investment within the zone by the end of the financial year 2024/25.	R1,084b	-	-	-	R1,084b
1.2	A cumulative contribution to the Western Cape GGP by investment within the zone by the end of the financial year 2024/25.	R0,890b	-	-	-	R0,890b
1.3	The creation of direct, indirect and induced jobs throughout South Africa by the end of the financial year 2024/25.	1 875	-	-	-	1 875

### 1.3 Programme 1: Administration

#### 1.3.1 Purpose

Administration has the overarching objective of implementing best practice governance in support of the operations. The programme has a complex role due to its need to balance the business needs, requirements of the operations, and undertaking a crucial governance function within the Company. As a state-owned company, Administration provides a treasury function to ensure optimum spending and utilisation of financial resources as well.

Further, 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.

It is a skill to achieve this balance, which is vital to the optimal performance of the overall programme.

#### 1.3.2 Programme Structure

The programme is structured to include the following functions:

- Governance
- Legal
- Financial Management
- Human Resource
- Supply Chain Management
- Information Technology
- Corporate Communications

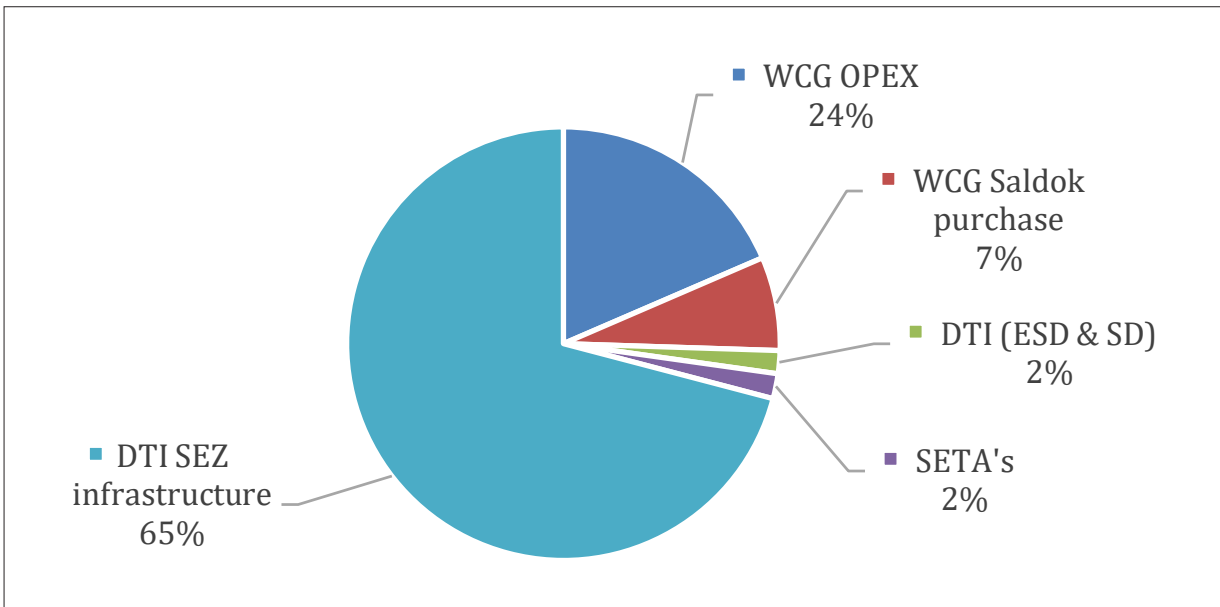
#### 1.3.3 Funding

Operations are funded by the Western Cape Government, whilst infrastructure is funded by the National Government by way of the SEZ Fund.

Western Cape Government also funded the purchase of the Saldok land from the IDC.

Development programmes are funded from various sources as it does not form part of the formal funding programme. Figure 21 depicts the Company's funding model.

**Figure 21: Company Funding Model**



### 1.3.4 Governance

The operations and management of the Company is governed primarily by the provisions of the Companies Act and the accompanying regulations, the Saldanha Bay Industrial Development Zone Licencing Companies Act (Provincial Legislation), the Company's Memorandum of Incorporation (MOI) and Shareholder's Compact. The SBIDZ-LC is also subject to and regulated by the PFMA and the Special Economic Zones Act.

The SBIDZ-LC has a Board of Directors (Board) which is responsible for the governance, management and control for the Company's business affairs.

The Board is the Accounting Authority and fulfils the fiduciary responsibilities as provided for in the PFMA and the Companies Act. The Board also gives effect to the Company's Strategic Plan and annual Corporate Plan. To ensure that it complies with its duties, the Board has delegated the necessary authority to management to handle the day-to-day operations, whilst the Board monitors overall performance.

#### 1.3.4.1 Composition of the Board of Directors

In response to the Board's new focus, a decision was taken by the Shareholder to reconstitute the Board as follows:

- Five institutional representatives (officials), one each from the DTIC, IDC, TNPA, SBM and WCG, of adequate calibre and also non-conflicted as the core members of the Board, representing the public sector interest;
- One person from the Saldanha Social community, adequately representative and of due calibre;
- One person from the Saldanha Economic community, adequately representative of the broader business sector and of due calibre;
- One representative from the SAOGA Board of Directors with the requisite sector-specific expertise;
- Two proven accomplished broader business practitioners with relevant expertise;

- Two executive directors, the CEO and the other the CFO, which is in line with King IV to improve collective accountability.

The reconstituted Board is still in line with what was agreed between National Government and the WCG, namely, that the structure of the Board should be representative of the three spheres of government.

#### 1.3.4.2 Board Remuneration

In terms of the SBIDZ Act, the Provincial Minister responsible for Economic Development in consultation with the Provincial Minister for Finance shall determine the remuneration, allowance and reimbursements payable to the Directors not in government service, which will be reviewed on an annual basis. Provincial Treasury rates are used to compensate the Board and Committee members, as such, not in government service.

#### 1.3.4.3 Board Committees

The Board is authorised to form committees as and when necessary to facilitate efficient decision making, and to assist the Board in the execution of its duties. The committees do not perform any management functions or assume any management responsibilities.

Currently, the Company has three committees, namely, the Audit, IT and Risk Committee, the Human Resources, Remuneration and Social and Ethics Committee and the Investment Committee.

##### 1.3.4.3.1 Human Resources, Remuneration and Social and Ethics Committee

The Human Resource and Remuneration and the Social and Ethics (HRRS&E) Committee consists of three non-executive directors, two executive directors and two independent committee members. The HRRS&E Committee has a clearly defined Terms of Reference for both components.

The purpose of the Human Resource & Remuneration (HR&R) Committee is to provide support and make recommendations to the

Board regarding any human resources and remuneration matters impacting the Company. The aim of the HR&R Committee includes providing oversight of the policies and practices relating to employee relations, human resources and remuneration activities. The Committee will be an available resource to provide input into strategy and policy matters, relating to human resources, that affect the Company.

The Social and Ethics (S&E) Committee monitors the Company's activities having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to Social and economic development, including the Company's standing in terms of the goals and purposes of;

- The 10 principles set out in the United Nations Global Compact Principles.
- The OECD recommendations regarding corruption.
- The Employment Equity Act.
- The Board-Based Black Economic Empowerment Act.

The S&E Committee also ensures that the ethics of the Company is managed in a way that supports the establishment and upkeep of an ethical culture within the Company.

### 1.3.4.3.2 Investment Committee

The Investment Committee consists of four non-executive directors and two executive directors and has a clearly defined Terms of Reference. The Committee considers investments proposed by management in accordance with the Board's approved delegation of authority policy, and make such recommendations as it considers appropriate to the Board. The Committee also ensures that investment, disposal and acquisition of assets are in line with the Company's overall strategy and make business sense. The Committee also monitors current markets and policy developments and make such recommendations as is appropriate, to the Board.

The Committee shall report to the Board any matter identified during the course of carrying out its duties that it considers significant.

### 1.3.4.3.3 Audit, IT & Risk Committee

The Audit, IT and Risk Committee consists of three non-executive directors and one independent committee member and has a clearly defined Terms of Reference. The purpose of the Committee is to assist the Board in discharging its duties in relation to financial reporting, asset management, risk management, supply chain management, information technology issues, internal control systems, processes and procedures, and to measure the quality of both the external and internal audit functions. In advising the Board, the Committee provides structured, systematic oversight of the Company's governance, risk management and internal control practices.

The Committee examines and reviews the annual financial statements of the Company and other relevant financial reports.

The internal and external auditors, as well as certain members of the Executive Management, are invited to attend meetings.

#### (a) Internal Audit

The Board is responsible for the appointment of the Internal Auditor. The Internal Auditor operates under the direction of the Audit, IT and Risk Committee which approves the scope of work to be performed. Significant findings are reported to the Executive Management and the Audit, IT and Risk Committee. Corrective action is taken to address internal control deficiencies identified in the execution of the work.

#### (b) External Audit

The Auditor-General of South Africa (AGSA) is responsible for performing the annual audit of the Company.

#### (c) Internal Control

The Company maintains internal controls and systems designed to provide reasonable assurance of the integrity and reliability of the Annual Financial Statements and to safeguard, verify and maintain accountability for its assets. Such controls are based on established policies and procedures and are implemented with appropriate segregation of duties.



The Board acknowledges its responsibility for ensuring that the Company implements and monitors the effectiveness of internal, financial and operating controls to guard against material misstatements and losses.

The internal and external auditors independently appraise the adequacy and effectiveness of the internal controls.

#### 1.3.4.4 Risk Management Plan

The Accounting Authority has overall accountability for ensuring effective risk management, sets strategic direction and determines risk appetite. It maintains oversight of the top risks facing the Company through periodic review to satisfy itself that the risks are being adequately mitigated. This oversight is managed by the Audit, IT and Risk Committee as appropriate to the subject area.

The overall strategic direction on risk management is set centrally, with the Accounting Authority responsible for guiding management through the risks facing the organisation. The Accounting Authority revises the risks register at least once a year. The Audit, IT and Risk Committee coordinates an annual assessment process on all Strategic Business Units per their top risks identified.

This bottom-up and top-down approach enables the organisation to consider the potential impact of different types of risks on processes, activities and stakeholders. Successful enterprise risk management can positively affect the likelihood and consequences of risks materialising, as well as deliver benefits related to better informed decision making. The Company will continue the initiative to embed risk management in standard processes and strategy. In addition, a structured risk data collection and analysis process as well as improving alignment of assurance activities, will be implemented.

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

- Shareholder's Compact
- Board Charter and Committees Terms of Reference

- Code of Conduct and Ethics
- Materiality Framework
- Risk Assessment
- Financial Regulations
- Delegation of Authority
- Personnel
- Procurement
- I.T. Policy
- Budget
- Memoranda of Agreement and Service Level Agreements
- Fraud Prevention Plan
- Financial Plan (as per income and Expenditure Estimates)
- Integrated Business Plan

#### 1.3.4.5 Fraud Prevention Plan

The objectives of Fraud Risk Management Strategy are:

- To reduce the risk of fraud and corruption from occurring;
- To provide for mechanisms of detection of fraud and misconduct when it occurs;
- To outline corrective actions and remedy the harm caused by fraud and misconduct;
- To raise awareness of the principles and benefits of effective fraud risk management process and to obtain staff commitment to the principles of fraud risk management.
- To outline actions to be taken to address fraud and corruption at structural and operational level.

As instances of fraud remain a constant threat to public trust and confidence, it becomes essential to recognize fraud risk management as an integral part of strategic management, and the Company is therefore adopting a comprehensive approach to the management of fraud risks.

Management's agenda is to focus on efforts to:

- Understand the fraud risks that can undermine the institution's business objectives;
- Determine whether fraud prevention programmes and controls are actually effective in reducing instances of fraud;
- Gain insight into better ways of designing and evaluating controls to prevent, detect and respond appropriately to fraud;

### 1.3.4.6 Company Secretary

In terms of the Companies Act all companies must appoint a person to serve as Company Secretary. The Company appointed a Company Secretary on 24 August 2016.

The Company Secretary's duties include, but are not restricted to:

- a) providing the directors of the Company collectively and individually with guidance as to their duties, responsibilities and powers;
- b) making the directors aware of any law relevant to or affecting the Company;
- c) reporting to the Board any failure on the part of the Company or a director to comply with the Memorandum of Incorporation or rules of the Company the Companies Act;
- d) ensuring that minutes of all Shareholder's meetings, Board meetings and the meetings of any Committees of the directors are properly recorded in accordance with the Companies Act;
- e) certifying in the Company's annual financial statements whether the Company has filed required returns and notices in terms of the Companies Act, and whether all such returns and notices appear to be true, correct and up to date;
- f) ensuring that a copy of the Company's annual financial statements is sent, in accordance with the Companies Act, to every person who is entitled to it; and
- g) carrying out the functions of a person designated in terms of section 33(3) of the Companies Act.

In addition to various statutory functions, the Board Secretariat with the assistance of the

Company Secretary ensures that the Board is provided with induction training as well as guidance on duties and responsibilities.

In consultation with the Board Chairperson, the Board Secretariat ensures that the contents of the agenda are relevant to the Board's decision-making. The information required for each Board meeting is sent to the directors in a timely manner to enable them to acquaint themselves with the information and to consider Company information in terms of their statutory and fiduciary responsibility.

The Board Secretariat acts as the primary point of contact between the Board of Directors and the Company.

### 1.3.4.7 Materiality Framework

This framework establishes standards and provides guidance on the concepts of materiality and significance with regard to Sections 50(1) (c), 55(2) and 54(2) of the PFMA and Treasury Regulation 28.3.

Material omissions or misstatements of items are material if they could, individually or collectively influence the decision or assessments of user made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality is determined as 1.5% of total income recognised. This materiality is from management's perspective and does not correlate with the auditor's materiality.

### 1.3.5 Outcomes, Outputs, Performance Indicators and Targets

**Table 8: Programme 1: Administration Medium-term Outcome and Targets**

Outcomes	Outputs	Output Indicator	Annual Targets						
			Audited Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
To promote sustainable economic growth and job creation	Unqualified Audit Opinion	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report
	Institutional agreements monitored	Number of institutional agreements reviewed	4	2	3	3	3	3	3
	Number of frameworks created and/or reviewed to monitor and manage tenant lease agreements	Number of frameworks reviewed to monitor and manage tenant lease agreements	1	1	5	5	5	5	5
	Website performance	Number of page views on the SBIDZ website	N/A	N/A	22 425	24 000	24 000	24 000	24 000

**Table 9: Programme 1: Administration Medium-term Indicators, Annual and Quarterly Targets**

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2	Unqualified Audit Report	Unqualified Audit Report		Unqualified Audit Report		
3	Number of institutional agreements reviewed	3				3
4	Number of frameworks reviewed to monitor and manage tenant lease agreements	5				5
5	Number of page views on the SBIDZ website	24 000	6 000	12 000	18 000	24 000

**Table 10: Summary of provincial payments and estimates by economic classification**

<b>Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company SOC Ltd</b>					
Economic classification R0'000	Outcome	Estimate	Medium-term estimate		
	Audited 2020/21	Outcome 2021/22	2022/23	2023/24	2024/25
<b>Revenue</b>					
<b>Revenue and interest</b>	<b>10,787</b>	<b>5,232</b>	<b>18,558</b>	<b>24,014</b>	<b>45,880</b>
Rental revenue	7,056	2,722	13,500	18,655	40,280
Interest	3,731	2,510	5,058	5,359	5,600
<b>Transfers income</b>	<b>2 06,776</b>	<b>178,855</b>	<b>195,096</b>	<b>314,761</b>	<b>270,862</b>
Department of Economic Development and Tourism*	37,014	34,830	36,502	-	-
Earmarked conditional grants and capital	169,762	144,025	158,594	314,761	270,862
<b>Total revenue</b>	<b>217,563</b>	<b>184,087</b>	<b>213,654</b>	<b>338,775</b>	<b>316,742</b>
<b>Expenditure</b>					
<b>Current expenditure</b>	<b>74,721</b>	<b>78,783</b>	<b>82,282</b>	<b>85,272</b>	<b>89,110</b>
Compensation of employees	33,735	34,993	34,993	34,993	36,564
Salary & Wages	33,735	34,993	34,993	34,993	36,564
Goods and services	40,986	43,790	47,289	50,279	52,546
Administrative fees	1,569	1,339	1,196	1,267	1,324
Advertising	69	1,550	2,053	1,556	1,627
Minor Assets	13	50	53	56	59
Audit cost: External	1,573	1,500	1,590	1,685	1,761
Catering: Departmental activities	25	18	19	20	21
Communication (G&S)	258	246	261	276	289
Computer services	2,559	2,427	2,610	2,805	2,931
Consultants and professional services	5,536	5,234	5,548	5,881	6,146
Legal services	-	150	100	100	105
Fleet services	25	30	32	34	36
Consumable supplies	174	360	382	404	422
Consumable: Stationery, printing and office supplies	258	340	361	382	399
Operating leases	25,961	25,340	27,555	29,964	31,312
Property payments	2,234	4,222	4,475	4,744	4,958
Travel and subsistence	336	734	778	825	863
Training and development	396	250	276	280	293
<b>Capital Expenditure</b>	<b>128,992</b>	<b>105,304</b>	<b>131,372</b>	<b>253,503</b>	<b>227,632</b>
Machinery and equipment	715	686	773	810	846
Infrastructure	128,277	104,618	130,599	252,693	226,786
<b>Total expenditure</b>	<b>203,713</b>	<b>184,087</b>	<b>213,654</b>	<b>338,775</b>	<b>316,742</b>

\* Transfers received disclosed excluding VAT

**Summary of provincial payments and estimates by economic classification:  
Saldanha Bay IDZ Licencing Company SOC Ltd - Administration**

Economic classification R0'000	Outcome	Estimate	Medium-term estimate		
	Audited 2020/21	Outcome 2021/22	2022/23	2023/24	2024/25
<b>Revenue</b>					
<b>Revenue and interest</b>	<b>3,731</b>	<b>2,510</b>	<b>5,058</b>	<b>5,359</b>	<b>5,600</b>
Rental revenue	3,731	2,510	5,058	5,359	5,600
<b>Transfers income</b>	<b>37,014</b>	<b>34,830</b>	<b>36,502</b>	-	-
Department of Economic Development and Tourism*	37,014	34,830	36,502	-	-
<b>Total revenue</b>	<b>40,745</b>	<b>37,340</b>	<b>41,560</b>	<b>5,359</b>	<b>5,600</b>
<b>Expenditure</b>					
<b>Current expenditure</b>	<b>26,896</b>	<b>20,850</b>	<b>21,178</b>	<b>21,756</b>	<b>22,735</b>
Compensation of employees	12,016	12,047	12,047	12,047	12,587
Salary & Wages	12,016	12,047	12,047	12,047	12,587
Goods and services	14,880	8,803	9,131	9,709	10,148
Administrative fees	1,184	1,129	973	1,031	1,077
Advertising	3	50	53	56	59
Minor Assets	10	-	-	-	-
Audit cost: External	1,573	1,500	1,590	1,685	1,761
Catering: Departmental activities	10	18	19	20	21
Communication (G&S)	212	210	223	236	247
Computer services	2,518	2,427	2,610	2,805	2,931
Consultants and professional services	(60)	200	212	225	235
Legal services	-	150	100	100	105
Fleet services	25	30	32	34	36
Consumable supplies	174	60	64	67	70
Consumable: Stationery, printing and office supplies	201	298	316	335	350
Operating leases	8,381	2,223	2,357	2,498	2,610
Property payments	470	310	328	348	364
Travel and subsistence	68	168	178	189	198
Training and development	112	30	76	80	84
<b>Capital Expenditure</b>	<b>715</b>	<b>686</b>	<b>773</b>	<b>810</b>	<b>846</b>
Machinery and equipment	715	686	773	810	846
<b>Total expenditure</b>	<b>27,611</b>	<b>21,536</b>	<b>21,951</b>	<b>22,566</b>	<b>23,581</b>

\* Transfers received disclosed excluding VAT

## 1.4 Programme 2: Operations

### 1.4.1 Purpose

The Operations Programme delivers on the implementation of the Company, thus enabling the overarching business imperative of develop and operating the Freeport to its strategic priorities of commercial self-sustainability, catalytic infrastructure and facilities, local and industry readiness and business, government and society partnerships.

Specifically, the Operations Programme focuses on the key deliverables and business units that drive the activities within the Company, in order to attract and retain key investors in the upstream oil, gas (energy) and marine repair, fabrication, engineering, logistics and related servicing industries.

### 1.4.2 Programme Structure

The programme is structured within the following business units:

- Ease of Doing Business
- Business Development
- Transaction and Investor Support
  - Innovation Campus
  - Access Complex
  - Project Leasing Facility
- Infrastructure Development
- Stakeholder Management
- Development Programmes
  - Skills Development
  - Enterprise Development
  - Contractor Development

The main focus areas of each business unit are described below.

#### 1.4.2.1 Ease of Doing Business

Depending upon context, location and business interest, the term *ease of doing business* can hold very different meanings for different people. The World Bank flagship publication, *Doing Business Report*<sup>®</sup>, ranks business regulation for domestic firms in 190 economies. A country's rank conveys its responsiveness to markets and the notion of doing business in that

country. The *ease of doing business* offering is thus a value proposition across many sectors, institutions and government departments to attract investors and customers.

Ease of Doing Business (EODB) in the zone is fundamental to its purpose and mandate as an SEZ, and the Company has utilised this as an ethos with which it conducts all its business innovation and service offering to its targeted markets. This approach provides both bureaucratic red tape reduction, as well as value-added services with long-term, systemic solutions to doing business in the zone, the Port of Saldanha Bay, in the West Coast and in South Africa.

A dedicated Ease of Doing Business unit responds to the needs of our investors, by intimately understanding their business needs and pain points in order to provide bespoke services. Customers include vessel fleet owners, operators seeking a location for maintenance, repairs and logistics services, tenants seeking to lease land and office space in a clustered ecosystem that supports the maritime and energy industry in fabrication, construction, logistics and supplies, the local business community and workforce.

EODB delivers:

- 1) A one stop shop service for the marine and energy sectors;
- 2) Systemic models to ensure that processes are consistent and provide certainty to customers;
- 3) Effective and efficient interventions on behalf of investors are made; and
- 4) The ease of access to information, services, workforce and infrastructure for investors.

This is undertaken with the goal of addressing the six (6) key factors in investment decision-making, as established through our groundbreaking 5x5 Voice of the Customer Global Best Practice Benchmarking study from 2015 (Figure 22). Our promise is to help clients grow their businesses and augment their profits by addressing these key factors; it shapes the focus of the entire Operations programme.

**Figure 22: Six key factors in investment decision-making**

### CCA/Freeport

On the 19th of July 2019, some 70% of the zone was designated a Customs Control Area (CCA) in terms of Section 21A of the Customs and Excise Act, Act 91 of 1964. This was made possible through a well-established relationship with SARS and the shared vision to find a common way to enable ease of attracting business from the passing traffic off our coast.

The CCA environment, or the Freeport, is a universal benchmark for ports and zones in our markets. The benefits of a CCA/Freeport includes:

- 1) Time savings with less onerous customs procedures for goods that move into, within and out of the CCA meant for export destinations.
- 2) Storage of goods without time limitations.
- 3) Cost savings with no upfront 15% VAT payment on parts and equipment coming in for repairs and maintenance, and no import and/or export duty levied on goods imported, value added and re-exported from the CCA.

Businesses can register as a CCAE (Customs Control Area Enterprise) and be eligible for the incentives above for export focused trade if they are in the CCA.

A guide is available on our website on the SEZ and CCAE incentive regimes as there are

nearly 26 possible transactions for businesses which import, value add, store and re-export their products. These guides have simplified explanations and will aid businesses in understanding what is available and how their business and operations can qualify and make use of the available incentives. The associated Visa and Work permit requirements have also been well documented in a concise reference guide for operations in the zone and is also found on our website.

The market demand analysis highlights the importance of the Company's unique positioning as a Freeport; offering a solution to industrial processes and activities and logistics at large. A priority for the year ahead in the business unit will be to embed the Freeport model with targeted role-players highlighted in the analysis as influential to the value add of the Freeport regime.

### One-Stop-Shop

Further to this, the SBIDZ will have a "One-Stop-Shop" called the "Ease of Doing Business Centre", as defined by the SEZ Act, in the Access Complex which will:

- Create an entry point for investors in need of regulatory compliance.
- Provide pre-approval information to investors (i.e. market data, costs, incentives, project approval, visits, local partners, etc.).

- Provide facilitation services to investors (i.e. permits, approvals, import equipment & raw materials, work permits, etc.).
- Access to incentives.
- Establish a collaborative interface between senior-level government agents and investors.

A Service Level Agreement is in place with the local authority, Saldanha Bay Municipality, offering a red carpet service to investors in the zone in respect of Building Plan Approval Applications, Building Completion Certification, Business Licencing, Permits and Registrations that fall within the municipal by-Laws. The Ease of Doing Business unit facilitates these engagements as a value-added service to investors. Consistency has been built into the processes to provide efficiency gains for investors.

The EODB also works together with TNPA to bring about marine operations and security interface efficiencies.

To this end, the Company is in the process of obtaining approvals as an International Ship and Port Security (ISPS) node, thus providing for maximum security and International Maritime Organisation (IMO) standards when it comes to seaborne trade and port security standards, which will give all customers the peace of mind they need to get on with their business in a safe environment. The market demand analysis indicates that the ISPS designation will enhance the market positioning of the Company. Further, the EODB is also facilitating streamlined application processes for out of gauge/abnormal load activities.

#### 1.4.2.2 Business Development

The Business Development business unit focuses on investment promotion activities in the zone, as well as concluding key memorandum of agreements with a specific focus on increasing the value proposition and future investment into the zone.

The Company has established a robust and growing tenant pipeline and will continue to drive its diversification for resilience of the pipeline and the market positioning of the zone.

With a targeted investor engagement strategy, based on market developments, the market demand analysis, and the value within the Western Cape ports and the SEZ, the Business Development team focus on the maritime and energy sectors. In partnership with Wesgro, the Atlantis SEZ and the Department of Economic Development and Tourism, a shared investor pipeline portal within the investment ecosystem is under development.

Business Development remains relevant to market trends and developments, with a deeper focus to scenario planning beyond the current maritime, energy, logistics, and engineering sectors to visualise and customise products and services to meet new markets, environmental and geopolitical demands, as informed from the market demand analysis and broader trend analysis.

#### 1.4.2.3 Transaction and Investor Support

Transaction and Investor Support (T&IS) fulfils a vital role in realising the commercial interests of the business investor and the Company. In synergy with business development and infrastructure development processes, T&IS undertake targeted tenant support activities, such as investments into generic top structures and estate management functions to unlock investment further and support the revenue generating potential of the Company, building on the best practise leasing model developed previously.

Key areas of focus for the business unit continues to be the development and tenancing of the Access Complex, Project Leasing Facility, SBIDZ warehouses and the Saldanha Bay Innovation Campus.

##### 1.4.2.3.1 Saldanha Bay Innovation Campus

The Saldanha Bay Innovation Campus (“the Campus”) has been established to address an important market failure in the research, development and innovation part of the maritime and energy value chain. Closely associated with the SBIDZ, naturally it acts as



a complement and multiplier to the broader strategic mission of the SBIDZ as part of the SEZ Programme to establish a world-class maritime and energy hub in the region. Doing so will not only help support industrial investment and development of the local sector, but also drive socio-economic development in the region.

The purpose of the Campus is to prepare Saldanha to be a world-class maritime and energy industrial centre; at the forefront of substantive, different, thought-leading research, development and innovation that enables Saldanha to respond to the global, future-focused pressing concerns and needs for the manufacturing and engineering industry.

Following early research by the SBIDZ-LC leadership to understand what makes a hub globally competitive, and subsequent feasibility studies, the Research Institute for Innovation and Sustainability (RIIS) was selected as an Implementation Partner to incubate the Campus – essentially treating the Campus as a start-up organisation itself. Since 2019 (the start of the Partnership), the joint SBIDZ-RIIS project team has achieved significant milestones in advancing the Campus. This includes:

- The establishment of a core identity for the Saldanha Bay Innovation Campus.
- Development of a significant network of interested partners, individuals and organisations (in excess of 800 contacts through the course of initial phase).
- Delivery of multiple RD&I programmes, including a major Drone Innovation Showcase that consisted of webinars, teacher training, and a longer-term innovation competition that includes the acceleration (continuing) of six drone technology start-ups.
- The continuation and delivery of the Campus High Schools Programme, supporting the pedagogical development of local teachers and school goers.
- Initiation of multiple funding conversations with various partners to raise resources for future operations of the Campus.

The Campus is now well-positioned to move from its early initiation phase, to a more structured process of clustering RD&I players in

the ecosystem in 2022. Proposals are currently in development in this regard, requiring Board approval.

#### 1.4.2.4 Infrastructure Development

A key part of the SBIDZ's mandate is to provide enabling infrastructure to attract investors who will increase exports and create jobs. To do this, the Company has a dedicated business unit implementing the macro infrastructure plan for the SBIDZ, in line with the SBIDZ strategy and mandate, inclusive of investor requirements. The unit has developed critical competences and systems to oversee the planning, alignment, contracting, construction and handover of all manner of buildings, utilities and enabling provisions (e.g. EAs, EMPs, guidelines, permits, licences).

One of these resources are the panels of contractors and professional panels put in place through the company's supply chain management policies. This reduces time in procurement and gives an assurance of capacity to a list of forecasted construction and professional needs.

The unit works with many public sector role-players, such as the local authority, the district municipality, the provincial government, Eskom, Transnet and TNPA, as well as private sector developers and landowners in executing its responsibilities. It also has a close operational interface with T&IS and Business Development to support the planning, scoping and delivery of tenant facilities as quickly and reliably as possible.

A priority for the year ahead will be the concept development and preliminary engineering required for the bankable feasibility of the port infrastructure intended for development in the port in support of the establishment of marine manufacturing industries, due to the consistent demand for additional quaysides for ship repair and manufacturing, and associated activities and the niche value the Port of Saldanha Bay and the zone represents as a deep-water port and Freeport. This will include obtaining an Environmental Authorisation for the construction of the intended port infrastructure.

This depends highly on the continued accessibility to the SEZ Fund for this capital programme in the near term, while alternative financial avenues are sourced, in particular,

the successful raising of financing for the port infrastructure to conclude the bankable feasibility study, the marine EIA and possible capital financing in future.

**Table 11: Forecasted Infrastructure Projects**

#	Project name	Programme	Project Description	Outputs	Project Start Date	Project Completion Date	Total Estimated Cost	Estimate outcome 2022/21
1	Tenant facility	Infrastructure	4 500 m <sup>2</sup> factory building and crane facility	Industrial building	Apr-22	Apr-23	R83 million	R0
2	Port Infrastructure	Infrastructure	Concept Development	Concept Design Report	Apr-22	Apr-23	R15 million	R0
3	Port Infrastructure	Infrastructure	Marine EIA	Draft EIR	Apr-21	Apr-23	R3 million	R500k

#### 1.4.2.5 Stakeholder Management

The Stakeholder Management business unit is responsible for engaging with and facilitating relationships with key stakeholders on behalf of the SBIDZ, as well as for assisting the various business units in managing stakeholder approaches.

Given the need to create a prospering and inclusive economic hub for the oil and gas, maritime fabrication and repair industries and related support services, the SBIDZ must attract a variety of investors. In addition, the SBIDZ-LC must establish mechanisms to engage civil society at large. This, together with the formal legislative framework within which the Company operates, means that there is a vast number of stakeholder relationships to be developed and managed for the sustainable implementation of the SBIDZ initiative and mandate. Each of these stakeholder relationships need to be defined and managed most effectively by the SBIDZ-LC to ensure the longevity of key partnerships and mutual outcomes and synergies.

The SBIDZ-LC's strategic aim is to meet continuously and increase its environmental, social, governance and economic responsibilities as a corporate citizen of the greater

Saldanha area and West Coast District. To this end, the SBIDZ-LC's Stakeholder Management business unit will continue to foster collaboration with relevant stakeholders on these matters through the Whole of Society Approach (WoSA) initiative and the District Development Model (DDM) towards creating safe, socially connected, resilient and empowered communities within the Saldanha Bay municipal area and West Coast District as a whole.

The United Nations Conference on Trade and Development's (UNCTAD) World Investment Report (WIR) 2021, noted that global flows of foreign direct investment (FDI) have been severely hit by the COVID-19 pandemic, falling by as much as one third in 2020. It also noted that greenfield investments in industry and new infrastructure investment projects in developing countries, such as South Africa were hit especially hard.

On the other hand, the Organisation for Economic Co-operation and Development's (OECD) "Environmental, Social and Governance (ESG) investing: Practices, Progress and Challenges" published in 2020, noted that forms of sustainable finance have grown rapidly in recent years, as a growing number of institutional investors and funds incorporate

various Environmental, Social and Governance (ESG) investing approaches. Thus, within the context of a declined FDI environment, ensuring that investment opportunities are packaged to ensure that fulfilment of the project has a profound and positive ESG impact represents a sound approach to attracting FDI in the current global investment context.

This idea is supported to an extent by the outcomes of the South African edition of KPMG's 2021 CEO Outlook report, through which 50 CEOs participated in qualitative research. The report noted that CEOs surveyed, considered having a sound ESG strategy in place and connecting that ESG strategy to the financial performance of their companies as being a key factor in creating societal, economic and environmental value. With this in mind, during the 2021/22 Financial year, the SBIDZ-LC explored opportunities with investors and stakeholders to augment its existing projects and develop new proposals that attract sustainable ESG conscious investment.

In addition, during the 2021/22 financial year, the SBIDZ-LC has proactively and strategically engaged with trade unions towards the conclusion of the SBIDZ labour charters. Currently, the SBIDZ-LC has already concluded Zone Labour Charters (ZLCs) with COSATU, NUMSA and NUM respectively. These SBIDZ labour charters, serve as the bedrock upon which the SBIDZ-LC will establish and foster coherent agreement between the labour unions, the SBIDZ-LC and ultimately SBIDZ Investors in terms of sound labour relations within the zone that enable inclusive economic growth. To this end, during the 2022/23 financial year, the SBIDZ-LC will continue to work with relevant stakeholders to draft a bespoke SBIDZ zone labour model that serves to operationalise the concluded SBIDZ labour charters.

#### 1.4.2.6 Development Programmes

The Development Programmes business unit aims to maximise local economic development and empowerment, through increased participation and beneficiation of citizens and businesses in Saldanha Bay. The three central pillars of its focus are skills development, enterprise development and contractor deve-

lopment, in a demand driven context and informed by the opportunities that emerge from the global maritime and energy sectors and value chains: the business unit aims to ready the workforce and business community appropriately to deliver world-class services to these global markets.

The business unit is highly partnership focussed, particularly with regards to fundraising, recruitment and selection of persons and businesses for initiatives, and ultimately implementing any development programme initiative. Partnerships developed across the local community, such as the Community Skills and Training Committee and the various business associations, will continue to be a key element of the business unit. In addition, the business unit would continue partnerships with various SETAs, private and public training and development service providers and many other practitioners and regulators in this field.

Initially landed by the Development Programmes business unit, it is envisaged that the Smart Skills Centre, a partnership reached with CHIETA during 2021, will be placed within the Innovation Campus as it has a more apt fit within the Capacity Building functional area of the Campus, which aims to respond to the specialised human capital needs of the industry through addressing human underdevelopment in the region and matching training programmes to the Campus objectives.

### 1.4.3 Outcomes, Outputs, Performance Indicators and Targets

**Table 12: Programme 2: Operations Medium-term Outcome and Targets**

Outcomes	Outputs	Output Indicator	Annual Targets						
			Audited Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Promote sustainable economic growth and job creation	Operationalisation of the Customs Control Area regime with key partners, such as the TNPA, SARS, DOL & DHA	Number of standard operating protocols in place	N/A	N/A	2	2	3	3	3
	Maintain and improve the outcomes of the EODB SLA with SBM	Turnaround time on building plans	N/A	N/A	22 days	28 Days	28 Days	21 Days	21 Days
	Tenant and operator leases signed	Number of signed tenant and operator lease agreements	N/A	N/A	8	8	8	8	8
	Maintain contractor and professional panels	Number of contractor and professional panels maintained	N/A	N/A	2	2	2	3	3
	Develop strategic partnerships for development programmes initiatives	Number of partnership agreements established	N/A	N/A	5	3	3	4	4
	Operationalisation of the Zone Labour Charter with trade unions, tenants and operators	Number of generic agreements maintained by trade unions for negotiation with investors	N/A	N/A	1	1	3	3	3
Promote sustainable commercial business	Operationalisation of the Access Complex, Project Leasing Facility	Percentage available space tenanted	N/A	N/A	35%	30%	40%	50%	60%
	Commercial self-sustainability	Zero dependency on provincial operational financial support	N/A	N/A	N/A	100%	100%	0%	0%

**Table 13: Programme 2: Operations Medium-term Indicators, Annual and Quarterly Targets**

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6	Number of standard operating protocols in place	3				3
7	Turn-around time on building plans	28 days				28 days
8	Number of signed tenant and operator lease agreements	8				8
9	Number of contractor and professional panels maintained	2				2
10	Number of partnership agreements established	3				3
11	Number of generic agreements maintained by trade unions for negotiation with investors	3				3
12	Percentage available space tenanted	40%				40%
13	Zero dependency on provincial operational financial support	100%				100%

## Summary of provincial payments and estimates by economic classification: Saldanha Bay IDZ Licencing Company SOC Ltd - Operations

Economic classification R0'000	Outcome	Estimate	Medium-term estimate		
	Audited 2020/21	Outcome 2021/22	2022/23	2023/24	2024/25
<b>Revenue</b>					
<b>Revenue and interest</b>	<b>7,056</b>	<b>2,722</b>	<b>13,500</b>	<b>18,655</b>	<b>40,280</b>
Rental revenue	7,056	2,722	13,500	18,655	40,280
<b>Transfer income</b>	<b>169,762</b>	<b>144,025</b>	<b>158,594</b>	<b>314,761</b>	<b>270,862</b>
Earmarked conditional grants and working capital	169,762	144,025	158,594	314,761	270,862
<b>Total revenue</b>	<b>176,818</b>	<b>146,747</b>	<b>172,094</b>	<b>333,416</b>	<b>311,142</b>
<b>Expenditure</b>					
<b>Current expenditure</b>	<b>47,825</b>	<b>57,933</b>	<b>61,104</b>	<b>63,516</b>	<b>66,375</b>
Compensation of employees	21,719	22,946	22,946	22,946	23,977
Salary & Wages	21,719	22,946	22,946	22,946	23,977
Goods and services	26,106	34,987	38,158	40,570	42,398
Administrative fees	385	210	223	236	247
Advertising	66	1,500	2,000	1,500	1,568
Minor assets	3	50	53	56	59
Catering: Departmental activities	15	-	-	-	-
Communication (G&S)	46	36	38	40	42
Computer services	41	-	-	-	-
Consultants and professional services	5,596	5,034	5,336	5,656	5,911
Consumable supplies	-	300	318	337	352
Consumable: Stationery,printing and office supplies	57	42	45	47	49
Operating leases	17,580	23,117	25,198	27,466	28,702
Property payments	1,764	3,912	4,147	4,396	4,594
Travel and subsistence	268	566	600	636	665
Training and development	284	220	200	200	209
<b>Capital Expenditure</b>	<b>128,277</b>	<b>104,618</b>	<b>130,599</b>	<b>252,693</b>	<b>226,786</b>
Infrastructure	128,277	104,618	130,599	252,693	226,786
<b>Total expenditure</b>	<b>176,102</b>	<b>162,551</b>	<b>191,703</b>	<b>316,209</b>	<b>293,161</b>

## 2 Risk Management

### 2.1 Top Strategic Risks

Strategic risk is defined as risks that affect or are created by an organisation's business strategy and strategic objectives, or lack thereof (Deloitte, 2013).

**Table 14: Top Strategic Risks**

Risk	Cause	Effect	Impact	Mitigation Measure
Lack of agreement, synchronised commitment, cooperation and investment from entire quad-helix model (i.e. government, academia, industry, community) on economic investment objectives.	<p>Lack of communication, cooperation and financial support between each party – in particular the WCG, TNPA, the dtic and SBM.</p> <p>Ongoing structural reforms within state-owned companies do not have definitive timelines.</p>	<p>Misunderstanding and misalignment regarding the needs and requirements from each party.</p> <p>The pioneering model needed with TNPA is new, different and requires broad political and administrative buy in.</p>	<p>Freeport cannot reach full potential and achieve the commercial self-sustainability and catalytic infrastructure &amp; facilities strategic priorities above all others due to:</p> <ul style="list-style-type: none"> <li>• The missed investment in new ports infrastructure.</li> <li>• Misaligned port and zone planning.</li> <li>• Delays outside of the company's control on investors financing arrangements.</li> </ul> <p>Increasing costs of doing business and lower business trust and confidence in the state-owned companies and government's ability to undertake needed structural reforms.</p>	<p>Effective secretariats to manage relationships with key government partners, with regular meaningful engagement set on clear objectives and purposes.</p> <p>Freeport has invested in the port infrastructure prefeasibility study and now requires funding to continue with the bankable feasibility study and marine EIA. The project is registered with ISA, which will go some ways to mitigate the risk and facilitate investment.</p> <p>Managing funding and revenue risk through utilisation of its asset base with continuous engagement with provincial government, as applicable.</p> <p>Alternative funding sources and/or strategic equity partnerships.</p>
Global and national declines in investment confidence and ability – both from the private and public sectors.	Geo-political instability, low credit rating of South Africa and the general and long-run inability to deliver on expressed policy intent.	Decreased FDI and DDI into South Africa.	Decreased financial capital to invest in OG&M industries results in the Freeport not being able to reach its commercial self-sustainability and catalytic infrastructure & facilities strategic priorities.	<p>Benchmark to worldclass standards and operations.</p> <p>Diversify market positioning to maritime and energy, inclusive of logistics, advanced manufacturing and engineering, and green hydrogen/lower carbon fuels hub projects, as well as full lifecycle sector/ stages.</p> <p>Monitor investment environment, utilise a balanced approach between strategic and practical investment facilitation.</p>

Risk	Cause	Effect	Impact	Mitigation Measure
A heightened energy crisis in South Africa.	The inability for Eskom to supply the energy needs of the economy.	Inconsistent energy supply results in industry not being able to operate at maximum efficiency.	<p>Increasing costs of doing business and lower business trust and confidence in the state-owned companies and government's ability to undertake needed structural reforms results in the Freeport not being able to achieve commercial self-sustainability and catalytic infrastructure &amp; facilities strategic priorities.</p> <p>Downstream and upstream demand for suppliers from tenants and investors shrinks or seeks more costeffective solutions elsewhere (continentally and internationally) and local &amp; industry readiness is hampered as a result.</p>	<p>Estate management policy that allows investors redundancy within the zone.</p> <p>Investigate energy resilience through alternative electricity supply options available given expected electricity demand growth from 8MVA to 45MVA by 2027, in addition, increased demand growth to accommodate production of low carbon/zero carbon fuels/products within the zone.</p>
A heightened acceleration towards lower carbon-based economies, which is beset with uncertainty on which transition will work/will be applied.	<p>Growing environmental consciousness of global society.</p> <p>Increased demand for basic energy needs for equitable human development.</p> <p>Different opinions and mismatched interests on a just transition roadmap.</p>	<p>Uncertainty in O&amp;G markets on expected returns for fossil fuels and fossil-based exploration and production.</p> <p>More volatile engagement on just transition, economic policy and infrastructure development.</p>	<p>Decreased investment into O&amp;G operations results in the Freeport not being able to achieve commercial self-sustainability and catalytic infrastructure &amp; facilities and local &amp; industry readiness strategic priorities.</p> <p>Breakdown in social compacts between government, business and society results in hampered or weak business, government &amp; society partnerships strategic priority.</p>	<p>Diversify market positioning to maritime and energy, inclusive of logistics, advanced manufacturing and engineering, and green hydrogen/lower carbon fuels hub projects, as well as full lifecycle sector/ stages.</p> <p>Strengthen ESG relevance in stakeholder management governance and systems.</p> <p>Maintain compliance to existing environmental legislative and regulatory frameworks as SEZ Operator and port tenant.</p>



Risk	Cause	Effect	Impact	Mitigation Measure
<p>Lack of OG&amp;M policy, regulation and practise.</p>	<p>Formal OG&amp;M regulations are difficult to initiate in South Africa because of infancy of OG&amp;M sector.</p> <p>Different opinions and mismatched interests on a just transition roadmap.</p>	<p>Bureaucracy and ambiguity results in increased red tape, time and costs of doing business.</p> <p>Limited influencing role in competitive, sustainable value chain creation in South Africa.</p>	<p>OG&amp;M industry lose market opportunities and cannibalise each other, resulting in weak or unscalable outcomes for the local &amp; industry readiness strategic priority.</p> <p>Growth and transformation of OG&amp;M does not materialise, resulting in weak or unscalable outcomes for the local &amp; industry readiness strategic priority, and misaligned business, government &amp; society partnerships.</p>	<p>Effective secretariats to manage relationships with key stakeholders and partners, with regular meaningful engagement around key legislative issues and regulatory interpretation.</p> <p>Diversify market positioning to maritime and energy, inclusive of logistics, advanced manufacturing and engineering, and green hydrogen/lower carbon fuels hub projects, as well as full lifecycle sector/ stages.</p> <p>Leverage position within the maritime ecosystem in the Western Cape to attract and grow investments.</p> <p>Freeport has an effective Development Programmes business unit. However, more needs to be done to address key constraints to local value chain creation and this should be done with others, in an ecosystem of support and development. The LED cluster work led between WCDM and SBM is mitigating this risk to a degree.</p>

## 2.2 Top Tactical Risks

Tactical risk is the probability of loss due to changes in business conditions in real time, or over the short term (less than a year) (Spacey, 2015).

**Table 15: Top Tactical Risks**

Risk	Cause	Effect	Impact	Mitigation Measure
Slow pace of investment into the Freeport.	<p>Institutional delays on investors reaching financial close.</p> <p>Ongoing structural reforms within state-owned companies do not have definitive timelines.</p>	Loss of interest in Saldanha Bay.	<p>Freeport cannot reach full potential and achieve the commercial self-sustainability and catalytic infrastructure &amp; facilities strategic priorities above all others due to:</p> <ul style="list-style-type: none"> <li>• The missed investment in new ports infrastructure.</li> <li>• Misaligned port and zone planning.</li> <li>• Delays outside of the company's control on investors financing arrangements.</li> </ul>	<p>Increasing targeted marketing and investment promotion activities for mature lead generation.</p> <p>Ratchet up investment facilitation services to quicken investor journey, e.g. InvestSA OSS and the Western Cape investment ecosystem.</p> <p>Take up joint planning and implementation with Transnet and TNPA, as applicable, to enhance synergies between entities.</p>
Lack of interest in innovation development within maritime and energy industries at Saldanha Bay	Innovative capabilities of international clusters outclass the capabilities of the Saldanha Bay Innovation Campus.	Loss of interest in Saldanha Bay.	Decreased investment into Saldanha Bay Innovation Campus initiatives, resulting in not achieving the business, government & society partnerships and local & industry readiness strategic priorities.	<p>Implement an appropriate business model which leverages community, international and national governments and the private sector in the operation of the innovation space, inclusive of technology start-up programmes.</p> <p>Maintain the High School Programme and initiate and maintain the Smart Skills Centre to embed 4IR initiatives in youth and school-goers.</p>
In-migration of foreign workers and companies.	Foreign, or outsider, skilled workers and companies being preferred for OG&M service industry jobs.	Community instability and mistrust.	Community disapproval of OG&M operations and the Freeport resulting in not achieving the business, government & society partnerships and local & industry readiness strategic priorities.	<p>Continue partnerships to promote local recruitment and local participation, and link development programmes (e.g. apprenticeships) and partnerships to technology.</p> <p>Strengthen ESG factors in stakeholder management, with a focus on education and awareness.</p> <p>Operationalise the Zone Labour Charters with Trade Unions and Tenants.</p>

## 2.3 Top Implementation Risks

Implementation risk is the potential for a development or deployment failure (Spacey, 2017).

**Table 16: Top Implementation Risks**

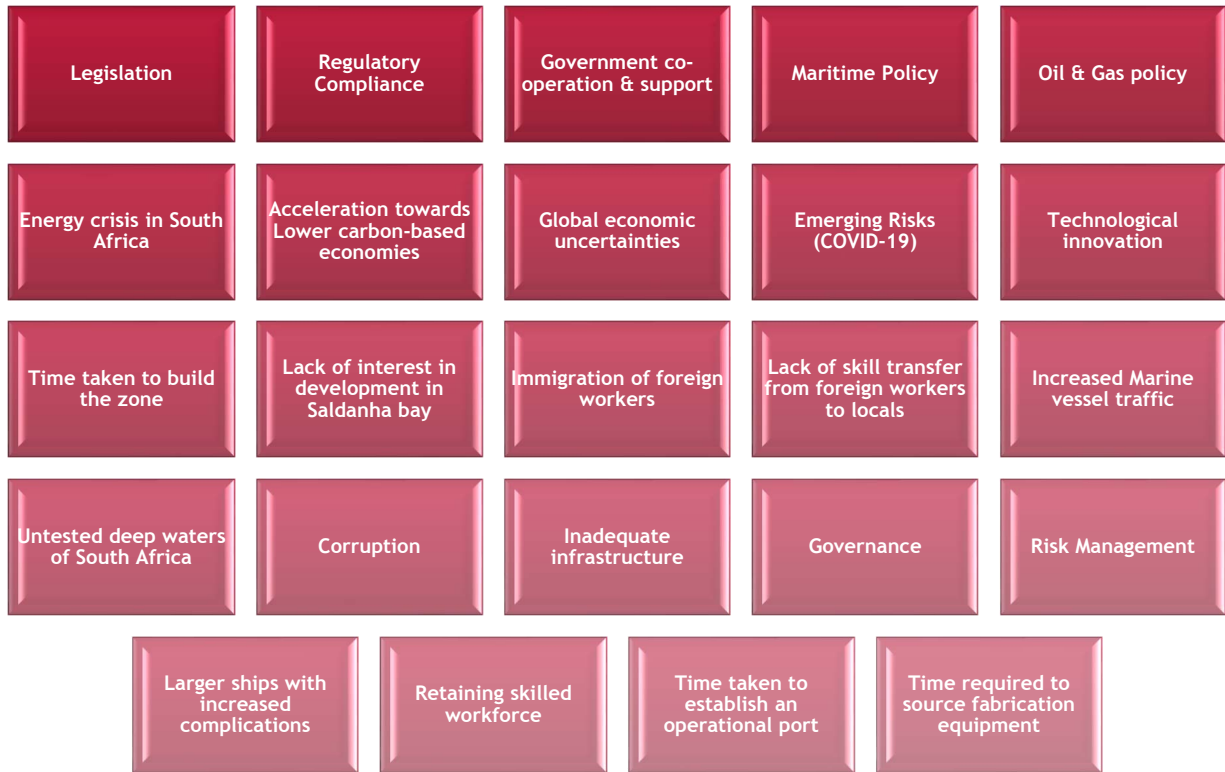
Risk	Cause	Effect	Impact	Mitigation Measure
Long time needed to establish an operational port infrastructure model (e.g. min. 5-9 years).	<p>Bureaucracy and acquiring of resources required to establish port infrastructure.</p> <p>Ongoing structural reforms within state-owned companies do not have definitive timelines.</p>	<p>Increased time before accumulation of revenue.</p> <p>The pioneering model needed with TNPA is new, different and requires broad political and administrative buy in.</p>	<p>Freeport cannot reach full potential and achieve the commercial self-sustainability and catalytic infrastructure &amp; facilities strategic priorities above all others due to:</p> <ul style="list-style-type: none"> <li>• The missed investment in new ports infrastructure.</li> <li>• Misaligned port and zone planning.</li> <li>• Delays outside of the company's control on investors financing arrangements.</li> </ul> <p>Increasing costs of doing business and lower business trust and confidence in the state-owned companies and government's ability to undertake needed structural reforms.</p>	<p>Proactively partner with TNPA and national government to deliver the correct infrastructure faster and smarter with appropriate business models.</p> <p>Explore opportunities for alternative funding and financing.</p>
Time taken to build the Freeport and its services.	Slow service delivery by contractors.	Delayed investments into the Freeport.	Freeport suffers financial loss for each working day/month its facilities and services are not operational, and the Freeport cannot reach full potential and achieve the commercial self-sustainability and catalytic infrastructure & facilities strategic priorities above all others	<p>Contractor panels for faster delivery.</p> <p>Professional panels for faster delivery.</p> <p>Smart integrated systems to track and manage critical paths.</p>

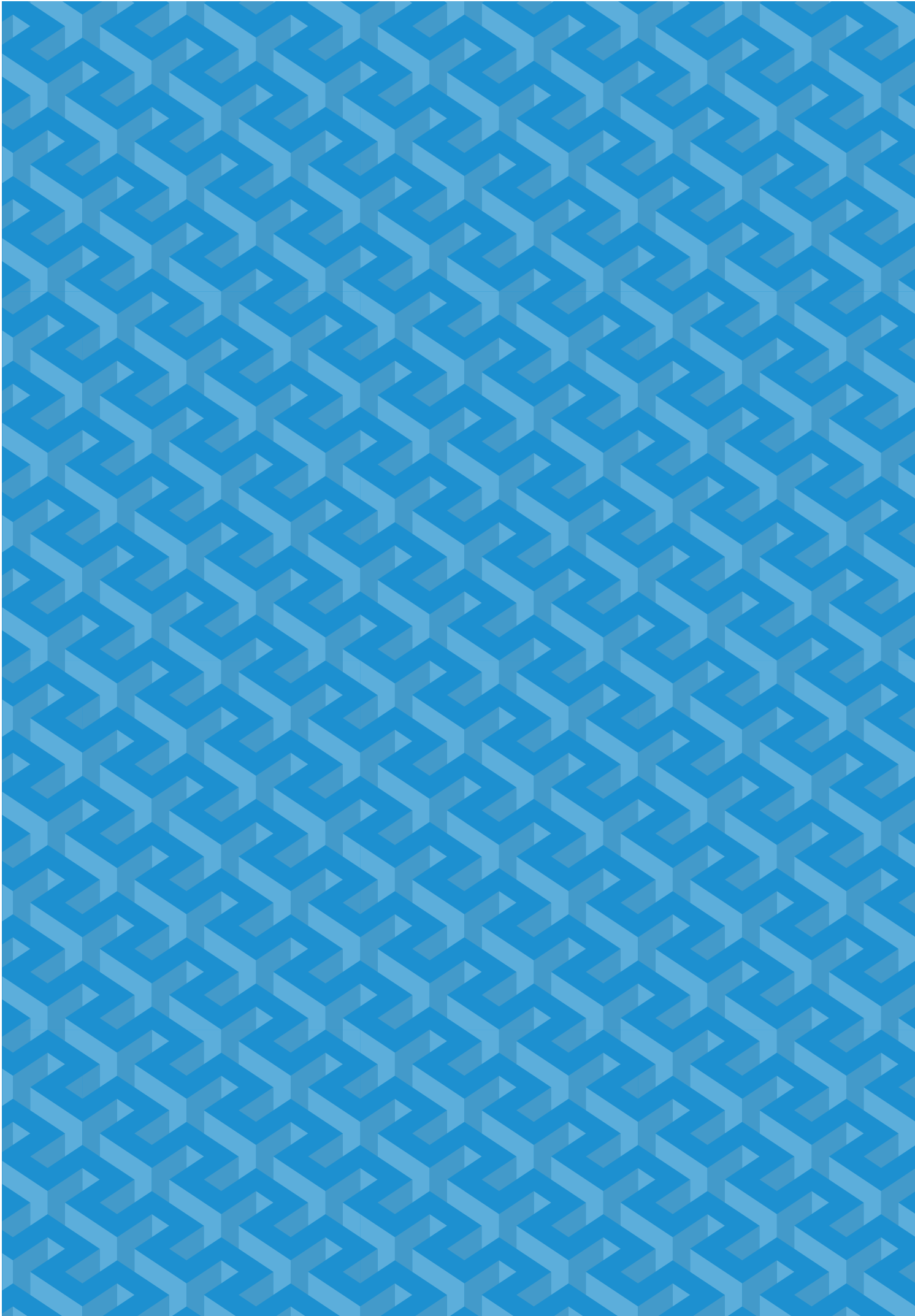
SERVICING THE NEEDS OF AFRICA'S OIL AND GAS SECTOR

Risk	Cause	Effect	Impact	Mitigation Measure
Retaining skilled workforce (long enough for skills transfer to happen), whilst battling inadequate infrastructure resources and skills available	<p>Infancy of maritime and energy sector within South Africa.</p> <p>Generational (i.e. millennial) influence of younger workforce.</p>	<p>Lack of fabrication skills and resources in South Africa to meet the requirements of maritime and energy industry.</p> <p>Skills and knowledge are lost rather than transferred.</p> <p>Lengthy time required to source fabrication equipment / fabricated parts and skilled personnel.</p>	<p>Outsourcing of employees to meet maritime and energy service industry needs, and the outsourcing of OG&amp;M industry needs to international sources hampers local &amp; industry readiness as a result.</p> <p>Decreased investment into the Freeport results in not achieving local &amp; industry readiness and building business, government &amp; society partnerships.</p>	<p>Support the knowledge transition through development programmes facilitated.</p> <p>Maintain the High Schools Programme and initiate and maintain the Smart Skills Centre to embed 4IR initiatives in youth and school-goers.</p> <p>Operationalise the Zone Labour Charters with Trade Unions and Tenants.</p>
The pandemic's effect on staff welfare and productivity.	Accelerated move to new ways of work arrangements required and possible.	Demotivated employees, anxiety and low employee morale.	Poor performance and losing good employees due to mental health issues, and younger employees have limited growth opportunities, which inhibits productivity within the Company.	Proactive employee support and enabling access to mental health programmes and dynamic human resources performance management approaches.
Breach of personal or company information.	Cyber-attack on ICT infrastructure.	Company data compromised.	Reputational and financial damage to the Company.	Maintaining ICT governance and assurance processes and systems, including the implementation of the POPI Act.

## 2.4 Key Overall Risk Areas

**Figure 23: Key Overall Risk Areas**







# D

TECHNICAL  
INDICATOR  
DESCRIPTIONS

# PART D: TECHNICAL INDICATOR DESCRIPTIONS

## 1 Overall for the Company

<b>Indicator number</b>	1
<b>Indicator title</b>	Promote sustainable economic growth and job creation
<b>Short definition</b>	The SBIDZ would create an enabling environment to promote sustainable economic growth and job creation by: <ul style="list-style-type: none"> <li>Facilitating a cumulative contribution to the National GDP by investment within the IDZ by the end of the financial year 2024/25;</li> <li>Facilitating a cumulative contribution to the Western Cape GGP by investment within the IDZ by the end of the financial year 2024/25;</li> <li>Facilitating the creation of direct, indirect and induced jobs throughout South Africa by the end of the financial year 2024/25</li> </ul>
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	Measure the contribution made to the South African economy overall through the SBIDZ programme and the prioritisation of the Saldanha Bay region.
<b>Source of data</b>	Statistical data from the SBIDZ SAM Economic Model
<b>Method of calculation</b>	Jobs created that can be directly attributed to the economic impact of the SBIDZ initiative
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Executive Officer
<b>Spatial Transformation</b>	<p><b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy. <i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i></p> <p><b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.</p>
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A.....   Target for people with disabilities: ...N/A..... Target for youth: ...N/A.....   Target for older persons:...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Capital and operating expenditure over the five-year financial period by the SBIDZ-LC, the Western Cape Government, Transnet and tenants and customers of the zone represents flows of the economic transactions that take place within the economy.
<b>Means of verification</b>	Report from consultants
<b>Data limitations</b>	Information required from consultants
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes, Direct Service Delivery <input type="checkbox"/> Yes, Indirect Service Delivery Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository



## 2 Programme 1: Administration

<b>Indicator number</b>	2
<b>Indicator title</b>	Unqualified Audit Report
<b>Short definition</b>	An opinion expressed by the AGSA on their annual audit of the various transactions, systems and policies of the company that determines that all governance arrangements are in place and sufficient.
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	To ensure that entity delivers on its mandate effectively and efficiently. Strengthens governance structures
<b>Source of data</b>	Signed off audit report from the AGSA
<b>Method of calculation</b>	Signed off audit report from the AGSA
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Executive Officer
<b>Spatial Transformation</b>	Spatial transformation priorities: N/A Description of spatial impact: N/A
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons:...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	An unqualified audit opinion conveys credibility in the entity's corporate governance, financial management and arrangements and sustainable operations.
<b>Means of verification</b>	Signed Audit Report by the AGSA
<b>Data limitations</b>	None
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes, Direct Service Delivery <input type="checkbox"/> Yes, Indirect Service Delivery
	Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	3
<b>Indicator title</b>	Number of institutional agreements reviewed
<b>Short definition</b>	To ensure that the required conditions relating to the agreements signed with institutional partners are effectively monitored
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	To ensure the entity delivers on its mandate
<b>Source of data</b>	Agreements and subsequent reports
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Executive Officer
<b>Spatial Transformation</b>	Spatial transformation priorities: N/A Description of spatial impact: N/A
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons:...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Legal compliance of agreements is a critical factor of good corporate governance
<b>Means of verification</b>	Reviewed agreements and subsequent reports
<b>Data limitations</b>	None
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes, Direct Service Delivery <input type="checkbox"/> Yes, Indirect Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	4
<b>Indicator title</b>	Number of frameworks reviewed to monitor and manage tenant lease agreements
<b>Short definition</b>	To ensure that frameworks are not out-dated and irrelevant to changing dynamics of the industry and SEZ environment
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	To ensure the entity delivers on its mandate effectively and efficiently. Strengthens good corporate governance.
<b>Source of data</b>	Frameworks
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Executive Officer
<b>Spatial Transformation</b>	Spatial transformation priorities: N/A Description of spatial impact: N/A
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons:...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Regular assessments support competitive positioning in the cases of changing dynamics of legislation, e.g. Upstream petroleum industry and the African Continental Free Trade Agreement
<b>Means of verification</b>	Approved Frameworks
<b>Data limitations</b>	None
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes, Direct Service Delivery <input type="checkbox"/> Yes, Indirect Service Delivery
	Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	5
<b>Indicator title</b>	Number of page views on the SBIDZ website
<b>Short definition</b>	To ensure consistent website performance and value ad to the industry
<b>Key Beneficiaries</b>	N/A
<b>Purpose</b>	To determine the utilisation of the website
<b>Source of data</b>	Google analytics performance report
<b>Method of calculation</b>	Done by Google analytics
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input checked="" type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input checked="" type="checkbox"/> Higher than target <input type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Financial Officer and Chief Operating Officer
<b>Spatial Transformation</b>	Spatial transformation priorities: N/A Description of spatial impact: N/A
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons:...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Regular assessments of the website usage
<b>Means of verification</b>	Google analytics report
<b>Data limitations</b>	None
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input type="checkbox"/> Yes, Direct Service Delivery <input checked="" type="checkbox"/> Yes, Indirect Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

### 3 Programme 2: Operations

<b>Indicator number</b>	6
<b>Indicator title</b>	Number of standard operating protocols in place
<b>Short definition</b>	The SBIDZ is creating a conducive business environment for customers and the workforce in the zone.
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	Phased implementation of the CCA regime to support the ease of doing business value proposition
<b>Source of data</b>	Issued standard operating protocols per partner
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Ease of Doing Business
<b>Spatial Transformation</b>	<p><b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy.</p> <p><i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i></p> <p><b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.</p>
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	<p>Number of locations: <input checked="" type="checkbox"/>Single Location <input type="checkbox"/>Multiple Locations</p> <p>Extent: <input type="checkbox"/>Provincial <input type="checkbox"/>District <input checked="" type="checkbox"/>Saldanha Bay Local Municipality <input type="checkbox"/>Ward <input type="checkbox"/>Address</p> <p>Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380</p> <p>For <b>multiple delivery locations</b>, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/>No <input type="checkbox"/>Yes</p>
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	<p>Target for women: ...N/A.....</p> <p>Target for youth: ...N/A.....</p> <p>Target for people with disabilities: ...N/A.....</p> <p>Target for older persons: ...N/A.....</p>
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Industry views the responsibilities of TNPA, SARS, DoL, DHA and their respective interfaces as critical to their goal of setting up business and operating in the zone of Saldanha Bay
<b>Means of verification</b>	Issued standard operating protocols
<b>Data limitations</b>	None
<b>Type of indicator:</b>	<p>Is this a Service Delivery Indicator? <input type="checkbox"/>No <input checked="" type="checkbox"/>Yes, Direct Service Delivery <input type="checkbox"/>Yes, Indirect Service Delivery</p> <p>Is this a Demand Driven Indicator? <input checked="" type="checkbox"/>Yes, demand driven <input type="checkbox"/>No, not demand driven</p>
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	7
<b>Indicator title</b>	Turn-around time on building plans
<b>Short definition</b>	The SBIDZ-LC and SBM have established an EoDB service level agreement to allow for the joint development of solutions to reduce red tape, unnecessary bureaucracy, slow timelines related to various permits and registrations in SBM's responsibility
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	Maintain and improve the various SOPs and processes developed jointly by SBM and SBIDZ-LC
<b>Source of data</b>	Building plan submissions
<b>Method of calculation</b>	Weighted average
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Ease of Doing Business
<b>Spatial Transformation</b>	<b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy. <i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i> <b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons: ...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Industry views the responsibilities of SBM and their respective interfaces with industry as critical to their goal of setting up business and operating in the zone in Saldanha Bay
<b>Means of verification</b>	Building plan submissions
<b>Data limitations</b>	Dependent on SBM resources
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes, Direct Service Delivery <input type="checkbox"/> Yes, Indirect Service Delivery Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	8
<b>Indicator title</b>	Number of signed tenant and operator lease agreements
<b>Short definition</b>	Number of tenants and operators with signed lease agreements with the SBIDZ-LC
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	Formalising agreements with tenants and operators will result in revenue generation and economic activity
<b>Source of data</b>	Signed leases
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Business Development
<b>Spatial Transformation</b>	<p><b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy.</p> <p><i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i></p> <p><b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.</p>
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	<p>Number of locations: <input checked="" type="checkbox"/>Single Location <input type="checkbox"/>Multiple Locations</p> <p>Extent: <input type="checkbox"/>Provincial <input type="checkbox"/>District <input checked="" type="checkbox"/>Saldanha Bay Local Municipality <input type="checkbox"/>Ward <input type="checkbox"/>Address</p> <p>Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380</p> <p>For <b>multiple delivery locations</b>, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/>No <input type="checkbox"/>Yes</p>
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	<p>Target for women: ...N/A.....</p> <p>Target for youth: ...N/A.....</p> <p>Target for people with disabilities: ...N/A.....</p> <p>Target for older persons:...N/A.....</p>
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Signed leases enables the SBIDZ-LC to forecast, manage and enable revenue generation, economic activity and infrastructure and land requirements
<b>Means of verification</b>	Signed leases
<b>Data limitations</b>	None
<b>Type of indicator:</b>	<p>Is this a Service Delivery Indicator? <input type="checkbox"/>No <input checked="" type="checkbox"/>Yes, Direct Service Delivery <input type="checkbox"/>Yes, Indirect Service Delivery</p> <p>Is this a Demand Driven Indicator? <input checked="" type="checkbox"/>Yes, demand driven <input type="checkbox"/>No, not demand driven</p>
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	9
<b>Indicator title</b>	Number of contractor and professional panels maintained
<b>Short definition</b>	Contractor and professional panels of service providers to the SBIDZ
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	The panels provide the SBIDZ with professional and construction services, which in turn the entity offers to its tenants, should they require it, to enable the conclusion of material technical aspects and financing on the investments.
<b>Source of data</b>	Signed contracts
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Infrastructure
<b>Spatial Transformation</b>	<p><b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy.</p> <p><i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i></p> <p><b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.</p>
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	<p>Number of locations: <input checked="" type="checkbox"/>Single Location <input type="checkbox"/>Multiple Locations</p> <p>Extent: <input type="checkbox"/>Provincial <input type="checkbox"/>District <input checked="" type="checkbox"/>Saldanha Bay Local Municipality <input type="checkbox"/>Ward <input type="checkbox"/>Address</p> <p>Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380</p> <p>For <b>multiple delivery locations</b>, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/>No <input type="checkbox"/>Yes</p>
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	<p>Target for women: ...N/A.....</p> <p>Target for youth: ...N/A.....</p> <p>Target for people with disabilities: ...N/A.....</p> <p>Target for older persons: ...N/A.....</p>
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	The panels provide the SBIDZ with quicker turnaround and cost stability on designing and construction of tenant and operator structures and utilities.
<b>Means of verification</b>	Signed contracts
<b>Data limitations</b>	None
<b>Type of indicator:</b>	<p>Is this a Service Delivery Indicator? <input type="checkbox"/>No <input type="checkbox"/>Yes, Direct Service Delivery <input checked="" type="checkbox"/>Yes, Indirect Service Delivery</p> <p>Is this a Demand Driven Indicator? <input checked="" type="checkbox"/>Yes, demand driven <input type="checkbox"/>No, not demand driven</p>
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository



<b>Indicator number</b>	10
<b>Indicator title</b>	Number of partnership agreements established
<b>Short definition</b>	Strategic partnerships with various stakeholders to enable initiatives to take place.
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	To ensure citizens and businesses have the know-how to compete effectively and meet the targeted sector's needs
<b>Source of data</b>	Signed agreements
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input checked="" type="checkbox"/> Higher than target <input type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Development Programmes
<b>Spatial Transformation</b>	<b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy. <i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i> <b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons:...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Partnerships will produce initiatives that meet the needs of industry and local communities and businesses alike.
<b>Means of verification</b>	Signed agreements
<b>Data limitations</b>	None
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input type="checkbox"/> Yes, Direct Service Delivery <input checked="" type="checkbox"/> Yes, Indirect Service Delivery Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	11
<b>Indicator title</b>	Number of generic agreements maintained by trade unions for negotiation with investors
<b>Short definition</b>	The SBIDZ is creating a conducive business environment for customers and the workforce in the zone.
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	Phased implementation of the Charter to support the ease of doing business value proposition.
<b>Source of data</b>	Signed off discussion documents and/or standard operating protocols per partner.
<b>Method of calculation</b>	Simple count
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Stakeholder Management
<b>Spatial Transformation</b>	<p><b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy.</p> <p><i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i></p> <p><b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.</p>
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	<p>Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations</p> <p>Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address</p> <p>Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380</p> <p>For <b>multiple delivery locations</b>, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes</p>
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	<p>Target for women: ...N/A.....</p> <p>Target for youth: ...N/A.....</p> <p>Target for people with disabilities: ...N/A.....</p> <p>Target for older persons: ...N/A.....</p>
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Operationalisation of the Charter will facilitate a sustainable and fair labour relations environment.
<b>Means of verification</b>	Standard operating protocols per partner
<b>Data limitations</b>	None
<b>Type of indicator:</b>	<p>Is this a Service Delivery Indicator? <input type="checkbox"/> No <input type="checkbox"/> Yes, Direct Service Delivery <input checked="" type="checkbox"/> Yes, Indirect Service Delivery</p> <p>Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven</p>
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	12
<b>Indicator title</b>	Percentage available space tenanted
<b>Short definition</b>	The SBIDZ is creating a conducive business environment for customers and stakeholders.
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	The SBIDZ is creating a conducive business environment for customers and stakeholders.
<b>Source of data</b>	Signed agreements with identified stakeholders and partners in the PLF and Access Complex.
<b>Method of calculation</b>	Weighted average – PLF 30% and Access Complex 70%
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer and Executive: Transaction & Investor Support
<b>Spatial Transformation</b>	<b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy. <i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i> <b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input checked="" type="checkbox"/> Saldanha Bay Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380 For <b>multiple delivery locations</b> , will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	Target for women: ...N/A..... Target for youth: ...N/A..... Target for people with disabilities: ...N/A..... Target for older persons: ...N/A.....
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Operationalisation of the facilities will promote the intended impact.
<b>Means of verification</b>	Signed agreements
<b>Data limitations</b>	None
<b>Type of indicator:</b>	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input type="checkbox"/> Yes, Direct Service Delivery <input checked="" type="checkbox"/> Yes, Indirect Service Delivery Is this a Demand Driven Indicator? <input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

<b>Indicator number</b>	13
<b>Indicator title</b>	Zero dependency on provincial operational financial support
<b>Short definition</b>	Funding allocated from the WCG through DEDAT
<b>Key Beneficiaries</b>	Job seekers focusing in the Saldanha Bay area
<b>Purpose</b>	To ensure zero dependency on operational funding from the WCG commencing 1 April 2023
<b>Source of data</b>	Signed Agreements
<b>Method of calculation</b>	Percentage of agreed amount
<b>Calculation type</b>	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
<b>Reporting cycle</b>	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
<b>Desired performance</b>	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
<b>Indicator responsibility</b>	Chief Operations Officer
<b>Spatial Transformation</b>	<p><b>Spatial transformation priorities:</b> Securing biodiversity by implementing the Saldanha Strategic (Biodiversity) Offsets Strategy. <i>The Saldanha Strategic (Biodiversity) Offsets Strategy of the Western Cape Government has now been put in place to unlock development potential in the Saldanha/Vredenburg growth node, specifically around the Port of Saldanha and the Saldanha Bay Industrial Development Zone (SBIDZ), whilst ensuring that conservation targets for the ecosystem types in the Greater Saldanha Bay area can be met and maintained properly.</i></p> <p><b>Description of spatial impact:</b> Creating a spatially, environmentally and economically vibrant and sustainable growth point in the Zone.</p>
<b>Spatial Context</b> (Relevant where products and services are delivered, specifically to the public)	<p>Number of locations: <input checked="" type="checkbox"/>Single Location <input type="checkbox"/>Multiple Locations</p> <p>Extent: <input type="checkbox"/>Provincial <input type="checkbox"/>District <input checked="" type="checkbox"/>Saldanha Bay Local Municipality <input type="checkbox"/>Ward <input type="checkbox"/>Address</p> <p>Detail / Address / Coordinates: 12 Main Road, Vredenburg, 7380</p> <p>For <b>multiple delivery locations</b>, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/>No <input type="checkbox"/>Yes</p>
<b>Disaggregation of beneficiaries</b> (Human Rights groups, where applicable)	<p>Target for women: ...N/A.....</p> <p>Target for youth: ...N/A.....</p> <p>Target for people with disabilities: ...N/A.....</p> <p>Target for older persons:...N/A.....</p>
<b>Recovery Plan Focus Areas</b>	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Well-being <input type="checkbox"/> New Way of Work
<b>Assumptions</b>	Operationalisation of the zone will support the intended impact.
<b>Means of verification</b>	Signed Agreements
<b>Data limitations</b>	None
<b>Type of indicator:</b>	<p>Is this a Service Delivery Indicator? <input type="checkbox"/>No <input type="checkbox"/>Yes, Direct Service Delivery <input checked="" type="checkbox"/>Yes, Indirect Service Delivery</p> <p>Is this a Demand Driven Indicator? <input checked="" type="checkbox"/>Yes, demand driven <input type="checkbox"/>No, not demand driven</p>
<b>COVID-19 linkage</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Implementation Data AOP</b> (Key deliverables and actions)	Company Repository

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