

"There can be no greater gift than that of giving one's time and energy to help others without expecting anything in return." - Nelson Mandela

Nelson Mandela Museum Site



1 AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the *Predetermined Objectives* heading in the *Report on other legal and regulatory requirements* section of the auditor's report.

Refer to page 94-97 of the Report of the Auditors Report, published as Part E: Financial Information.



2 SITUATIONAL ANALYSIS



4.5% of total SA exports and 5.2% total imports in 2015



Two metropolitan municipalities, six district municipalities and 31 local municipalities



2017 real GDP growth 1% compared to 1.3% nationally



Home to 6.499 million people (11.5% of the national population), of which 4.203 million are of working age



Primary and secondary sectors contribute only 17% to the provincial economy



Three harbours, three airports, two national roads



Highest unemployment rate in SA at 35.6%



EASTERN CAPE AT A GLANCE



**2nd largest
province in
South Africa**
with total area of
168 966 km²



2.1 Service Delivery Environment

2.1.1 Provincial Overview

2.1.1.1 Location

The Eastern Cape accounts for 13.9% of the total land area of South Africa. Administratively, the province is divided into 31 local municipalities, clustered in six districts. In addition, there are two metropolitan municipalities.

Port Elizabeth, situated on Algoa Bay, is the largest city in the Eastern Cape and home to the Nelson Mandela Metropolitan Municipality. The provincial capital, Bhisho, is located within Buffalo City Metropolitan Municipality, as are East London and King William's Town. Other important towns in the Province include Mthatha, Uitenhage and Grahamstown.

2.1.1.2 Economy

The economy of the Eastern Cape continues to be characterised by employment, income, service and productivity disparities. Consistent with the country as a whole, economic growth rates have remained sluggish following the 2008/09 global economic crisis. Entrenched low growth and high unemployment present the Province with significant challenges, including increasing demands for social services. At the same time, the emergence of entrepreneurship as a contributor to addressing these challenges presents significant opportunities, particularly in the tourism and biodiversity economy sectors.

The provincial economy has contributed an average of 7.7% of the country's Gross Domestic Product (GDP) since 2010. The tertiary sector is dominant, making up over 70% of the provincial economy over that time. Trade, catering and accommodation activities (including "tourism"), accounts for around 18% of the Provincial GDP.

2.1.1.3 Infrastructure

Infrastructure distribution across the province is unequal, with the metros and the western part of the province having access to better quality and quantity of infrastructure. User-friendly road infrastructure is generally available throughout the western region, while the eastern region – specifically the former Transkei and Ciskei – has limited accessibility, exacerbated by a poorly

maintained road network. For example, in 1996, 15% of the surfaced road network in the province was in "very good" condition. Since 2013, none of the surfaced roads is "very good". The proportion of surfaced roads categorised as "poor" or "very poor" has increased from 11% to 38% over the same period. Currently 74.64% (21 778.82 km) of the unpaved road network is in a "Poor" to a "Very Poor" condition.

Although the Port Elizabeth airport has international status, there are no international carriers arriving at this facility directly. There are two additional domestic airports, located in East London and Mthatha. However, the cost of flights to and from these destinations is high as demand outstrips supply. There are no passenger rail services linking the Eastern Cape to other regions of the country.

2.1.1.4 Biodiversity

It is incumbent on the ECPTA, on behalf of the Eastern Cape Provincial Government, to protect and conserve the province's biodiversity while maximising the tourism potential of the protected area estate.

The Eastern Cape Parks and Tourism Agency (ECPTA) currently manages 606 035 hectares, including 1 World Heritage Site, and 172 000 hectares of marine space. This estate includes two internationally recognised biodiversity hotspots, namely the Cape Floristic Region and the Maputoland-Pondoland-Albany Centres of endemism. The ECPTA-managed estate also protects eight of the nine biomes found in South Africa.

The Eastern Cape is one of the most biodiverse provinces in South Africa but almost 90% of Eastern Cape vegetation types are "poorly protected". The ECPTA is engaged with private and communal landowners to develop partnerships that expand the protected area system of the province. The focus is on areas that address the gaps in the level of protection of certain vegetation types. Since the ECPTA initiated a Stewardship Programme in 2010, more than 190 000 hectares have been added to the protected area system of the Eastern Cape, through the willingness of private landowners to formally declare their land as Protected Environments or Nature Reserves.





The difficulties with declaration encountered in 2016/17 (with late objections filed by a government department) highlighted the need to attend to special interested parties as part of the public consultation process, and to engage with all possibly affected departments regarding land use planning across the landscape.

2.1.1.5 Tourism

The Eastern Cape has come a long way since it ranked the second least visited of the 9 South African provinces, a position that prompted the Eastern Cape Parks and Tourism Agency in 2015 to set itself a target to return the province to rank among the 3 most visited provinces by domestic tourists by 2020.

For tourism purposes, the province is arranged into regions and routes. These are increasingly the basis of packaging tourism experiences as both private and public sector facilities can cluster niche activities. ECPTA-managed reserves are the key public sector contributors.

2.1.2 Biodiversity Management

ECPTA measures the success of its efforts to manage protected areas through the METT-SA score it attains annually. The World Commission for Protected Areas (WCPA) and World Wide Fund for Nature (WWF) developed the internationally accepted Management Effectiveness Tracking Tool (METT). The tool has been in use since 2000. In 2008, it was adapted for South African conditions (METT-SA). The third iteration was introduced in 2015.

The ECPTA's METT-SA assessment score continues to improve; the average METT-SA score increased from 72% in March 2017 to 75% in March 2018. This is the international accepted standard.

2.1.2.1 Biodiversity Economy

Important partners in protected area management and expansion are communities who have been successful

land claimants or who live adjacent to protected areas managed by ECPTA. A key mechanism for ensuring that claimant communities benefit from their commitment to conservation is the ECPTA's Game Transformation Programme. The programme, launched in March 2017, has developed rapidly over the past year. The programme is part of the Department of Environmental Affairs (DEA) National Biodiversity Economy Strategy. It aims to facilitate the transformation of the wildlife sector and to contribute to the economic growth of this sector by making game available on a custodianship basis to aspiring game farmers from a historically disadvantaged background. To date, three sites have entered into custodianship agreements with ECPTA. The three sites have taken delivery of 184 animals since the inception of the project.

The details of the first three recipients, their location and types of animals they received from ECPTA is as follows:

MiarEstate <ul style="list-style-type: none">• Owner: Nonkubela Mayatula• Size of property: 750 hectares	Existing game on the property <ul style="list-style-type: none">• Giraffe; Eland; Cape Mountain Zebra; Blue Wildebeest; Sable; Nyala; Bontebok; Impala	Species approved for translocation from ECPTA <ul style="list-style-type: none">• 10 Eland• 15 Kudu• 30 Hartbeest• 5 Bontebok
Krompoort Farm – Nkhonhoni Game Breeders <ul style="list-style-type: none">• Owner: Xolile Dasheka• Size of property: 1 240 hectares	Existing game on the property <ul style="list-style-type: none">• Kudu• Reedbuck• Duiker• Steenbok	Species approved for translocation from ECPTA <ul style="list-style-type: none">• 25 Springbuck• 30 Blesbuck• 30 Black Wildebeest• 10 Buffalo• 20 Red Hartbeest
Brakfontein – Likhayaletu Communal Properties Association <ul style="list-style-type: none">• Owner: Likhayaletu CPA• Size of property: 1245 hectares	Existing Game on the property <ul style="list-style-type: none">• Kudu• Duiker• in low numbers	Species approved for translocation from ECPTA <ul style="list-style-type: none">• 10 Eland• 30 Red Hartbeest





The last of these sites, the Brakfontein farm, lies adjacent to the Double Drift portion of the Great Fish River Nature Reserve. The Likhayaletu communities won their land claim for Double Drift, and the National Minister of Environmental Affairs, Dr E. Molelwa, handed the title deed to Double Drift to the Likhayaletu community in March 2018. The Brakfontein project received an infrastructure development grant from the DEA's wildlife economy programme and ECPTA, as the Implementing Agent, has been developing the property. Fencing of the property and construction of a gate/guard house is complete. This has created 59 jobs to date, and facilitated the property's readiness to receive game.

The Brakfontein project was officially launched on 7 Mar 2018. The launch event took place on site, attended by over 1 500 people from the local communities as well as the Minister of Environmental Affairs, the premier, MEC and a host of other dignitaries. During the launch, ECPTA released 30 red hartebeest and 10 zebra into the property. The event generated considerable interest and positive media coverage. Further introductions are planned for 2018, and ECPTA has submitted a new application for funding for Phase II of this project.

In addition, the Agency has:

- Released a second Expression of Interest (Eoi). This was widely publicised and 11 new applications were received from interested parties. These applications are currently being evaluated.
- Played a leading role in the establishment of the Eastern Cape Wildlife Industry Transformation Forum. The purpose of this forum is to facilitate transformation of the Game industry and to provide a platform for partners and beneficiaries to engage with each other.
- Allocated a further 246 animals for placement through this project in 2018.
- Actively participated in the planning, preparation and hosting of the National Biodiversity Economy Indaba, which was held in East London

at the ICC from 7 to 10 March 2018. Over 800 registered delegates attended this event.

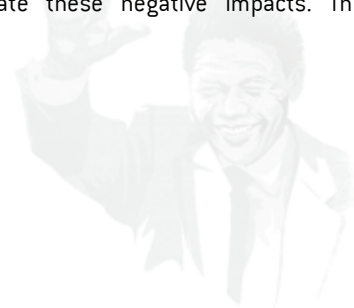
2.1.2.2 Security

The escalation of rhino poaching on the ECPTA reserves has meant that the Agency has had to continue to prioritise security on specific reserves. Considerable resources have of necessity been directed towards combating this threat and there has been substantial investment in infrastructure, the training and equipping of staff, improving security protocols and measures, and the creation of dedicated rhino monitoring and security posts. Resources for this have been derived from operational budgets, a special rhino security allocation from DEDEAT as well as from key donors. Donors, in particular, have played an important part in funding these initiatives. With the current economic situation and shrinking budgets, these donors will play an increasingly important role in rhino conservation and the Agency has consequently embarked on a programme that aims to strengthen existing donor relations as well as to attract new donors. To this end, ECPTA concluded an MOU with Wilderness Foundation in terms of which they assist with rhino monitoring and security flights. This has proved to be a very valuable partnership.

All evidence points to a continued escalation in rhino poaching in the future and it is therefore critical that the Agency is well prepared and equipped to deal with this threat.

2.1.2.3 Drought

The drought conditions experienced across large parts of the country have continued in the Eastern Cape. Drought is having a serious effect on ECPTA reserves in the western part of the province, particularly Baviaanskloof World Heritage Site. The situation on the affected reserves is being monitored and appropriate interventions will be considered as and when necessary. The dry conditions have influenced the occurrence and distribution of fires in the western region of the Eastern Cape. Large fires have been recorded that have had significant ecological effects on the availability of grazing for game species. These conditions have affected game densities and condition in a number of reserves. The failure of good rains before winter will exacerbate these negative impacts. This would





influence game off-takes and revenue in the 2018/19 financial year. Unusual weather conditions can often have unforeseen consequences and continue monitoring is being carried out on nature reserves. Climate change models indicate that the intensity and duration of extreme weather conditions can be expected to increase in future.

It is, however, important to note that droughts are a normal ecological process and play an important part in regulating large animal population numbers. Indigenous animals are generally well adapted to dealing with these conditions and are more resilient than domestic animals. These conditions also influence the occurrence, distribution and intensity of fires and increased fire vigilance is essential. The Agency will continue to monitor the situation closely.

2.1.2.4 Wildlife Sales

The prevailing drought, combined with what appears to be a declining market for buffalo breeding stock, has had a substantial impact on the revenue generated from live game sales. This situation is unlikely to improve in the immediate future and it is essential that the Agency adjust accordingly and seek to diversify its revenue streams. Hunting remains a relatively profitable option and the Agency is consequently increasingly looking to expand and improve its International Hunting offering. There also appears to be good value in the live sale of trophy quality animals from non-hunting reserves. In an effort to cut costs and boost revenue the Agency has this year also experimented with a number of innovations including the sale of live game through an online auction as well as the sale of the 2018 hunting packages via online auction.

2.1.2.5 Rhino Impact Investment Project

To offset declining budgets, the Agency is increasingly looking to external sources for additional funding. One such

opportunity that has emerged as a potential game changer is the Rhino Impact Investment Project. This Project is an initiative of United for Wildlife which is an unprecedented partnership between seven of the World's leading wildlife charities and the Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry. The projects' primary objective is to develop a scalable outcomes-based financing mechanism that directs additional private and public sector funds to improve management effectiveness of priority rhino populations. Unlike traditional funding mechanisms where donors fund initiatives upfront, this approach relies on private sector investors financing the initiative and receiving returns only if the initiative achieves agreed impact and financial outcomes.

This creates an investable opportunity and shifts the focus from 'inputs' to 'performance and results'. If the desired conservation outcomes are achieved, in this case net rhino population growth rate, the outcomes-payer pays the impact investor back the original investment plus or minus a percentage relative to conservation outcome.

UfW formally invited ECPTA to participate in the investment readiness phase of this project after an expert panel found ECPTA to be significantly important to the continental and national rhino strategies and to demonstrate the necessary capacity. ECPTA is one of only seven sites selected for the project and one of only three in South Africa. An MOU has since been concluded with the Zoological Society of London, who are the implementing Agents, and an Investment Readiness Agreement is expected to be concluded during the first half of 2018.



2.1.3 Destination Marketing

2.1.3.1 Domestic Tourism

Domestic travellers in the Eastern Cape are most likely to be from the Eastern Cape (intra-provincial travellers), the Western Cape, Gauteng or KwaZulu-Natal, while domestic visitors are more likely to visit Limpopo, Gauteng and KwaZulu-Natal.

The province benefits from being a VFR (visiting friends and relatives) destination; VFR is the primary reason for travel by domestic travellers, and the second most common reason for international travellers to the province. By nature, VFR travellers generally do not make use of paid accommodation, and spend more on social activities than leisure. This positions local residents as powerful promotional agents for domestic tourism.

Domestic Tourist Types				
	Holiday	VFR	Business	Religious
2014	14%	69%	7%	9%
2015	8%	63%	11%	17%
2016	4%	77%	4%	14%

Source: Provincial Data NDT

In order to grow the tourism economy, it is necessary to encourage VFR travellers to engage in more leisure activities. To this end, in addition to awareness of the need for marketing investment, the province has begun to invest in tourism experience development. The focus of these initiatives is around existing and uniquely Eastern Cape iconic tourism assets, and supporting amenities.

By the end of 2016/17, the SAT Annual Report placed the Eastern Cape in the 4th position. Unaudited analyses for 2017/18 place the province in 5th position a year later.

Trips (million)	2013 /14	2014 /15	2015 /16	2016 /17	Ranking 16/17
Eastern Cape	2.1	3.2	3.4	1.6	5
Free State	0.9	1	1.2	0.7	8
Gauteng	4.5	4.3	3.8	3.4	2
KwaZulu-Natal	7.3	5.3	5	2.7	3
Limpopo	5.6	7.4	5.7	5.1	1
Mpumalanga	3.2	3.3	2.2	2.3	4
North West	1	2.3	1.8	1.1	7
Northern Cape	0.5	0.6	0.3	0.3	9
Western Cape	2.4	1.6	1.8	1.5	6

Figure 1: SA Tourism Domestic Rankings [Source: 2016 SAT Annual Report and March 2018 presentation at Cape Town International Jazz Festival]

2.1.3.2 International Tourism

International travellers are most likely to stay for longer periods of time if their primary purpose for the visit is for a holiday or to visit friends and relatives. In 2016, 60% of international travellers to the Eastern Cape came on holiday, and 20% came to visit friends and relatives.

International Tourist Types					
	Holiday	Business	MICE	VFR	Religious
2014	62.8%	0.0%	12.0%	17.4%	0.2%
2015	54.6%	2.4%	9.7%	20.5%	1.2%
2016	59.8%	3.8%	6.4%	20.1%	0.4%

Source: Provincial Data NDT



Holiday tourists are most likely to visit natural attractions as well as cultural, historical and heritage sites, followed by wildlife-based activities. For VFR tourists, social activities are the most popular activity.

International tourists have reduced the average number of provinces that they visit since 2011. The Eastern Cape is one of the least visited Provinces, attracting around 3% of the international tourists annually. Most international tourists experience the western side of the Province, usually only going as far as Port Elizabeth.

The Eastern Cape has not changed its position within the international market over the last 3 years. The Eastern Cape's top 5 arrivals are Germany, UK, USA, Netherlands and Australia.

2.1.3.3 Business Tourism

Meetings, Incentives, Conferences, and Events (MICE) is a growing industry in South Africa, recognising that the business events industry is a major driver of job creation, skills development and transformation of the nation's knowledge and creative economy. Business events have the potential to draw people together to exchange knowledge and ideas, build business relationships, and, over a longer term, attract investment and talent flows.

The International Congress and Convention Associations 2013 rankings show that South Africa is the number one convention destination in Africa and the Middle East.

Business travel accounts for approximately 9% of all international travel. Business tourism is defined as leisure activities in conjunction with business travel. Business tourists are less cost-sensitive than leisure tourists, spending on average twice as much per day. Their purchase decisions are influenced primarily by their ability to use time efficiently within business travel schedules.

As two-thirds of business travellers extend their business trips for pleasure when they can, there is enormous potential in this market. Business tourism is expected to be one of the hottest growth markets for travel industry providers in the years ahead. Developing and transition economies interested in expanding revenues from business tourism need to focus on both the individual

business traveller and the meetings and conventions market.

Business tourism is, therefore, a strategic tourism sector for the Eastern Cape.

According to Tourism Business Council of South Africa, respondents in the 2015 survey cited the following primary reasons for the national decline in the tourism industry:

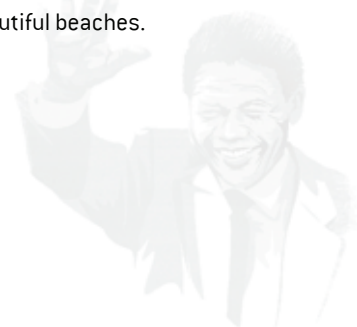
16.9% of respondents cited negative impact as a result of the xenophobic attacks;

30.0% of respondents were affected negatively by the Ebola outbreak;

23.5% of respondents experienced a negative impact due to the new Visa regulations.

While these have necessarily affected the Eastern Cape, according to the Tourism Business Council of South Africa's *Tourism Business Index* (2015; Q2), the following have also had a notable impact on the Provincial tourism economy:

- Inconsistent marketing budgets – thereby minimising the impact of marketing initiatives;
- Economic decline – resulting in people affording less frequent and shorter domestic and international holidays;
- Limited accessibility of the Province – there are limited low cost airlines flying into the Province. This is exacerbated by the poor condition of roads and the perceived frequent accidents on Eastern Cape roads;
- Poor product development and ineffective product packaging – both of which limit the potential of the tourism products of the Eastern Cape;
- Perceived lack of safety while travelling in the Eastern Cape and (especially) frequenting the beautiful beaches.





1.1.4 Tourism Development

2.1.4.1 Service standards

In order to improve service standards within the tourism sector, ECPTA implemented a number of training programs have been. These include:

- Tourist Guiding (Heritage and Nature)
- First Aid
- Customer Care
- Market Access
- Business management
- Hospitality Services
- Food Safety

2.1.4.2 Product profiling

In order to enable tourism products and associations to promote and showcase their businesses, ECPTA assisted by designing and procuring brochures, website development, business cards, banners, promotional CDs and DVDs. Furthermore, ECPTA created platforms for tourism products to showcase and sell their businesses in various trade and consumer shows.

2.1.4.3 Youth and community empowerment

The Agency has exposed a number of youth to the Tourism Sector through career expos both provincially and nationally. Through compliance checks and awareness campaigns, complaints on illegal guiding have decreased. In collaboration with various municipalities, ECPTA deployed Tourism Monitors in various beaches for tourism information dissemination and visibility of people to curb criminals targeting visitors. ECPTA provided individualised support to various community tourism projects in the province in order to enhance tourism beneficiation.

2.1.4.4 Reserves as Products

The Reserves as Products approach aims to enhance the visitor experience and grow the eco-tourism products in our nature reserves. The ECPTA is currently implementing its commercialisation strategy that will create opportunities for Public Private Partnerships (PPPs). The implementation of the strategy will unlock tourism infrastructure investment, establishment of nature based

tourism activities and additional revenue. To date, this has resulted in the appointment of operators to conduct three nature based tourism activities in Baviaanskloof World Heritage Site through PPPs.

As part of ensuring effective implementation of the strategy, the agency has assigned individuals to deal with the roll-out of the commercialisation project. It is envisaged that as the volume of private partners and opportunities grow there will be a need for a fully-fledged Commercialisation Unit.

The agency also developed a reserve tourism turn-around plan to accelerate product improvement interventions, contributing to overall quality and standards. Revenue generation through hospitality services is on an upward trajectory, as this year revenue target was exceeded.

2.1.5 Infrastructure, EPWP and Social Responsibility Programme

2.1.5.1 Development and maintenance of infrastructure at reserves.

The Project Management Unit plans, designs, implements and manages infrastructure projects. The intention is to eradicate infrastructure and maintenance backlogs, as these directly contribute to operational inefficiency at reserves.

In order to ensure that infrastructure is well planned, coordinated and delivered, ECPTA commissioned an infrastructure master plan. The Master Plan will inform channelling of constrained financial resources to areas of greatest need in a cost effective manner. Currently, the unit prioritises and delivers infrastructure projects utilising minimal internal resources. External funding opportunities by government sector departments are explored to supplement the internal funding.

The three-year maintenance plan for all reserves has been developed in order to ensure that appropriate maintenance activities are performed at reserves in a timely manner. General workers, under the leadership of the maintenance heads in all reserves, carry out infrastructure maintenance work on a daily basis.





2.1.5.2 EPWP and Social Responsibility Programme

The Department of Environmental Affairs (DEA) approved ECPTA to implement a number of its Expanded Public Works Programmes (EPWP). These programmes assist the ECPTA to carry out its mandates of biodiversity conservation and tourism management in the province. The implementation of EPWP also talks to the Environmental Sector Delivery Agreement, Outcome 10: Protected and Enhanced Environmental Assets and Natural Resources as well as the Provincial Government strategic priorities for the Medium Term Strategic Framework Period, which is the transformation of the economy to create jobs.

The EPWP also enables the Agency to provide some tangible benefits to the communities neighbouring the Provincial Parks and thus strengthen its People and Parks engagements through job creation opportunities and local economic development. This is achieved through job opportunities for unemployed previously disadvantaged individuals that are provided with temporary employment opportunities and training. Local SMMEs are contracted in the programme.

In the 2017/18 financial year, the ECPTA implemented of four (4) EPWP projects:

- Working for Water Programme in four (4) of reserves;
- Youth Environmental Services Programme (YES) in various reserves;
- Environmental Monitors programme in various reserves;

- EC Double Drift Nature Reserve Wildlife Economy project – infrastructure related projects.

ECPTA submits applications for additional funding opportunities as and when funding windows become available.

2.1.6 Stakeholder Engagement

Through the People and Parks program within the agency, Mkhambathi Co-management agreement has been implemented. This involved holding Co-Management meetings on a quarterly basis to discuss issues of concern and progress on projects implemented by the ECPTA. Annual 15% revenue sharing from the Mkhambathi Nature Reserve Income amounting to R160 000 has been deposited to the Mkhambathi Land Trust Account as a direct benefit for the 2017/18 financial year. Two bursaries amounting to R80 000 per student have been offered to the youth of the Mkhambathi community to study for conservation diplomas.

Community issues at Silaka nature reserve led to the closure of the Silaka Nature Reserve for a period of 3 months (July – September 2017). The incident was precipitated by the election of the Communal Property Association (CPA); community members' disagreement resulted in cessation of reserve operations. A similar situation unfolded at Dwesa-Cwebe. The Office of the Chief Land Claims Commissioner has been engaged to assist with formalising and facilitating the CPA elections.





1.2 Organisational environment

2.2.1 Administration

A key focus area during the year under review was to continue with the implementation of the change management programme. This was done to ensure that an ECPTA culture is developed and inculcated in each employee. It furthermore assisted in dealing with the instability challenge that the Agency experienced due to the implementation of the organisational review results in 2016/17. The change management programme focused on areas of communication and leadership and culminated with the development and institutionalisation of a charter relating to these two key aspects. Various change management activations were undertaken to build team morale and spirit amongst departments. The staff satisfaction survey results improved from 70% to 71% during the year under review and employee stability has been achieved holistically.

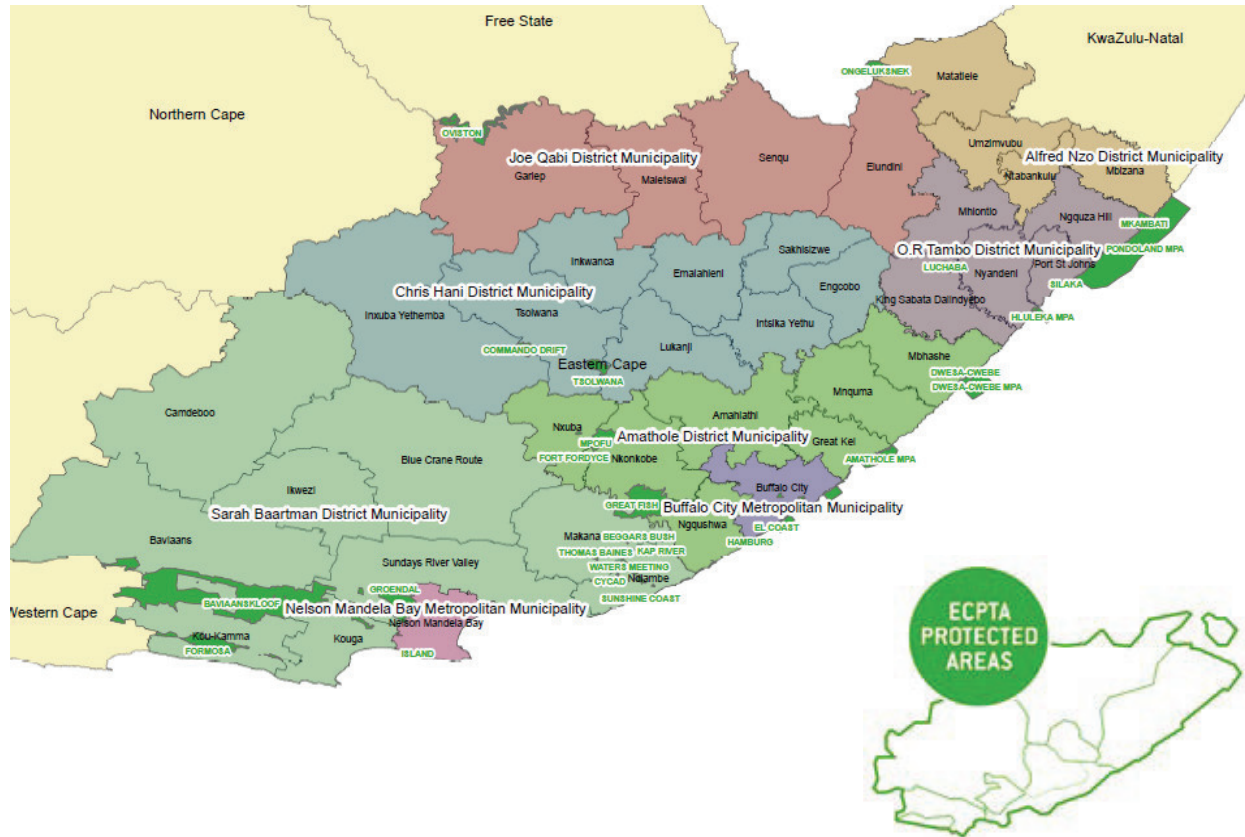
With the implementation and completion of the Wide Area Network (WAN) solution across the Agency this has ensured that all employees at Head Office, Regions and Reserves are now connected on a single Information Technology solution system that improves accessibility. Together with the Skype for Business Telephony system this will allow better access and in the long term realise cost saving benefits.

2.2.2 Geographic spread of reserves

As indicated in the map below, the reserves for which ECPTA is responsible are distributed across the entire province, with at least one reserve in each District. Given the mandate to preserve the Province's natural heritage, the reserves are predominantly rural and remote. The location of reserves poses challenges in respect of ensuring that tourists can safely and easily access them. The potential economic benefit of reserve-based tourism for neighbouring communities is also put in jeopardy.

To give effect to the new organisational strategy (2015-2020), the ECPTA adopted the "Reserves as Products" approach in 2015. The spread of the reserves has lends itself to geographic clustering that is easily overlaid by product and activity niches. They also align to the existing tourism routes, as indicated below:





	CLUSTER	NICHE	RESERVES	ROUTES
	Biodiversity and Heritage	Iconic reserves Opportunities for special interest and educational tourism	<i>Baviaanskloof, Formosa, Groendal & Island, Thomas Baines & Waters Meeting, and Great Fish</i>	Kouga, Tsitsikama, Sundays River Valley, Karoo Heartland, Frontier Country
	Marine and Coastal	Good fit with holiday visitors Opportunities for educational and recreational users	<i>Mkhambathi, Hluleka, Silaka, Dwesa Cwebe and Nduli Luchaba</i>	Sunshine Coast, Wild Coast
	Game Management and Recreation	Offer market opportunities for hunting, holiday and special interest	<i>Mpofu / Fort Fordyce, Tsolwana / Commando Drift, Ongeluksnek, East London Coast, and Oviston</i>	Amathole Mountain Escape, Friendly N6, Frontier Country, Karoo Heartland





2.2.3 Legal services

Between December 2010 and February 2011, a herd of buffalo crossed a drought-emptied boundary dam from the Thomas Baines Nature Reserve, managed by the ECPTA, onto an adjoining farm, Medbury. The ECPTA resorted to the Grahamstown High Court (GHC) to recover the buffalo from the owner of Medbury. The court found against ECPTA, citing the requirement of the Game Theft Act that game is protected when held on land for which a certificate of adequate enclosure is issued. Since Thomas Baines was not in possession of such certificate, the GHC ruled that ECPTA lost ownership of its buffalo. The ECPTA took the matter on appeal to the Supreme Court of Court (SCA) which found that the absence of the certificate of adequate enclosure does not mean that the nature reserve was not adequately enclosed. The appeal was upheld with costs.

The entity is aware of the pervasive nature of the claims against it by third parties, especially those relating to fire claims. The entity is a Schedule 3C Public Entity in terms of the Public Finance Management Act. This means that the Provincial Government is ultimately the guarantor and funder of any claims that may arise, and the entity is not permitted to retain funds to build up reserves to mitigate future claims. Management has therefore not seen the need to pass any doubt on the entity's ability to continue as a going concern.

2.2.4 Organisational Performance

The gradual upward trend in performance outcomes is both pleasing and challenging: Pleasing because it clearly demonstrates the maturation of the ECPTA's integrated approach to planning and performance management, and Challenging because sustaining these performance levels is difficult in an increasingly constrained fiscal environment.

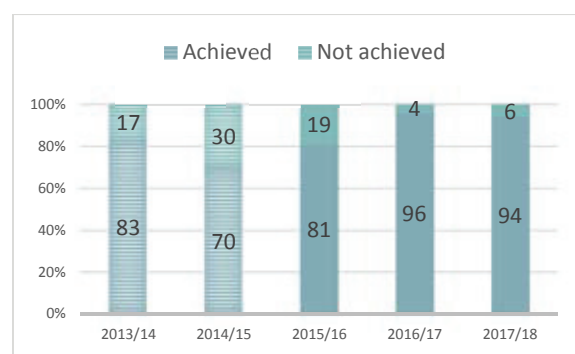


Figure 2: ECPTA 5-year Performance Trends (APP indicators)

As part of preparing for the next strategic cycle, the Board undertook a mid-term review in the latter part of the financial year. The graphic on the following page summarises the Board's assessment of ECPTA's performance in the current strategic period.



BIODIVERSITY MANAGEMENT

- ECPTA has conducted, managed or contributed to at least eight research projects since 2015/16.
- Developed Stats of Knowledge database and species management plans.
- Completed 2 taxon surveys, 4 new taxon inventories and 2 annual game censuses

PROTECTED AREA EXPANSION

- 606 035 ha added through stewardship agreements
- 3 co-management agreements negotiated
- ECPTA appointed implementing agent for biodiversity offsets on N2 toll-road project

TOURISM DEVELOPMENT

- Increased scale of support to emerging tourism businesses.
- + 500% increase in PDI-owned tourism businesses participating in the Lilizela Awards
- Maintained 88% grading of tourist facilities on reserves

ORGANISATIONAL SUSTAINABILITY

- Two successive Clean Audits from the AGSA
- New organogram since April 2016
- Stateholder perception has improved

MARKETING

- EC has improved its domestic tourism ranking (SA Tourism Annual Report) from 5th of 9 provinces in 15/16 to 4th in 16/17
- Positive media sentiment and expanded digital footprint have improved visibility
- Adventure Province brand well entrenched

BIODIVERSITY ECONOMY

- Strategic objective introduced in 2016/17
- Negotiated re-zoning of MPA at Dwesa for small-scale fishing by community
- 1700 jobs created in the environmental sector
- Launched game industry transformation programme:
- 3 Black farmers supported

RESERVES AS PRODUCTS

- Strategic objective since 2016/17
- Catalytic infrastructure projects - commercially viable reserves [e.g. Cape Morgan conference centre]
- Concept plans for all reserves

PROTECTED AREA MANAGEMENT

- METT-SA score improved from 64 in 2015/16 to 72 in 2016/17
- 93% of reserves scored over 68 in 2016/17, up from 20% in 2015/16
- Combatting poaching on provincial reserves remains high priority.

RESOURCE MOBILISATION

- R57.736m in donations 2015/16
- R20.385m donations 2016/17 + R10.272m in additional grants
- Formalised donations policy and introduced annual donors event
- Partnerships emphasised to mobilise in-kind support.

Summary of ECPTA's
PERFORMANCE
in the current
strategic period.



2.3 Key policy developments and legislative changes

There are no national or provincial policy or legislative changes to note.

Internally, the shareholder department, DEDEAT, has undertaken a legislative review of the ECPTA's founding Act with a view to align it with national acts in biodiversity conservation and tourism. This alignment will also assist the entity in carrying out its mandate to both protect its

natural assets (flora and fauna) and grow the conservation estate. A further motivation for reviewing the Act is to create mechanisms to optimise revenue generation to ensure sustainability of the entity.

In terms of policies, the ECPTA has adopted a number of policies that are geared towards enabling transformation and redressing the imbalances of the past.

2.4 Strategic Outcome Oriented Goal

The ECPTA has continued to pursue a single strategic goal. The intention is to promote the desired unity of purpose that underscores the ECPTA Act. The Agency's Strategic Goal defines its contribution towards securing a sustainable future for the Province.

Strategic Goal

Resource Mobilisation

Goal statement

To leverage resources for tourism and conservation priorities

Goal purpose

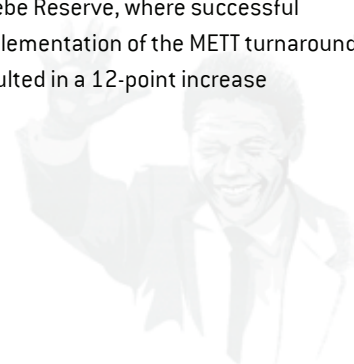
To improve the attractiveness of the ECPTA as an investment option by executing our mandate to the highest possible standards for the entire strategic period

Justification

All indications are that the economic decline of the past four years will take a longer than originally expected time to reverse, and in the meantime the fiscal envelope is shrinking. This puts enormous strain on the ECPTA to continue to achieve its stated purpose of (i) developing and managing protected areas and (ii) promoting and facilitating the development of tourism in the Province. The ECPTA has noted that, in acknowledging the fragile economic outlook for the country, both National and Provincial governments have put an emphasis on the establishment of partnerships to ensure ongoing delivery of mandated services.

Progress against priorities

1. Maintain the ECPTA's position as the leading management authority of declared nature reserves in the country
 - The average annual METT-SA assessment score for all reserves managed by ECPTA was 75%
 - The targeted 67% set nationally was exceeded by all 15 reserves, surpassing the target of 10 reserves in this category of achievement
 - The most significant improvement from the previous year's assessment was at Dwesa-Cwebe Reserve, where successful implementation of the METT turnaround plan resulted in a 12-point increase





- The deployment of Youth Environmental Services (YES) interns and Environmental Monitors alleviated staff shortages and contributed to improving METT-SA scores
2. Work towards regaining a top-three SA Tourism ranking as a domestic tourism destination for the province
- The province's domestic tourism ranking increased dramatically to 4th place in 2016/17. The province was unable to sustain this ranking in 2017/18, and ended the year as the 5th most visited province by domestic tourists (according to unpublished data from SAT)
 - New partnerships forged towards the end of the financial year are aimed at collaboratively improving this ranking
3. Refine the business model to better integrate scientific services, destination marketing efforts, and infrastructure development for tourism and conservation
- Progress in integration is seen most clearly at reserve-level, as expressed in the METT-SA scores
 - The 2% to 4% increases in the average scores for Protected Area Planning, Processes, Outputs and Outcomes are testament to this
4. Intensify efforts to transform the Conservation and Tourism sectors and open both up to mainstream participation by previously disadvantaged individuals
- ECPTA recorded numerous successes in transformation of the conservation sector during 2017/18. These include:
 - The translocation of almost 200 head of game to three transformation sites where PDI owners have entered into custodianship agreements with ECPTA
 - Launching of the Brakfontein Project with the Likayaletu Communal Properties Association, funded by National DEA
 - Changing demographics of provincial winners and participants of the annual Lilizela Tourism Awards is the most obvious marker of successful transformation of the Tourism Sector
 - ECPTA has recorded a significant increase in the number of PDI-owned tourism businesses participating in the Lilizela Awards, as well as in the proportion of entries from PDIs
 - Only 1 (1.3%) PDI-owned business from the Eastern Cape participated in the inaugural competition in 2013. 205 PDI-owned products entered the 2017 competition, making up 37.5% of provincial entries.

Outcome

The Medium-term expenditure estimate included in the 2017/18 APP predicts an “other grants and transfers” amount of R10.641 million in 2018/19. The final budget for 2018/19, concluded in March 2018, includes an amount of R73.946 million for “other grants and transfers”. This represents an **85% increase** on the original prediction, effectively increasing the ECPTA's annual budget from R246.119 million (predicted) to **R307.054 million**.

ECPTA believes that this achievement is recognition of the excellent work done in addressing the four priorities. Stakeholders endorsed the ECPTA's work with a **78% satisfaction rating** during the annual stakeholder satisfaction survey, and this has translated into broadening interest in the Agency's work.





3 PERFORMANCE INFORMATION BY PROGRAMME

This Annual Report presents performance information for ECPTA's three programmes: Operations, Marketing, and Corporate Management Support.

The collective term for Strategic Objective Indicators and Annual Performance Indicators is "Key Performance Indicators" (KPIs). These are detailed in the ECPTA's Annual Performance Plan (APP), and are the basis of this report. For each programme, their Strategic Objective Indicators, listed in the Strategic Plan (2015/16 to 2019/20), are followed by the Annual Performance Indicators published in the Annual Performance Plan (2017/18 to 2019/20). In order to improve the readability of this report, the unit of measure for each indicator is included in brackets behind the target and actual performance reported.

The APP includes a set of Technical Indicator Descriptions for KPIs. These detail each KPI's importance, the intended outcome, mechanisms for measurement and underlying operational logic. Readers of this Annual Report can access the complete APP, inclusive of technical indicator descriptions, on the ECPTA website.

An Annual Operational Plan ensures that ECPTA is able to achieve KPIs by establishing a clear link between the three levels of planning (strategic, performance and operational). ECPTA uses summative performance indices to express the relationship between the three levels clearly. Indices combine lower level performance measures, with different units of measure and contributions, to provide insight into the achievement of higher-level outcomes. Where ECPTA uses an internally generated index to measure performance, a table detailing the annual contribution of underlying operational targets is provided.

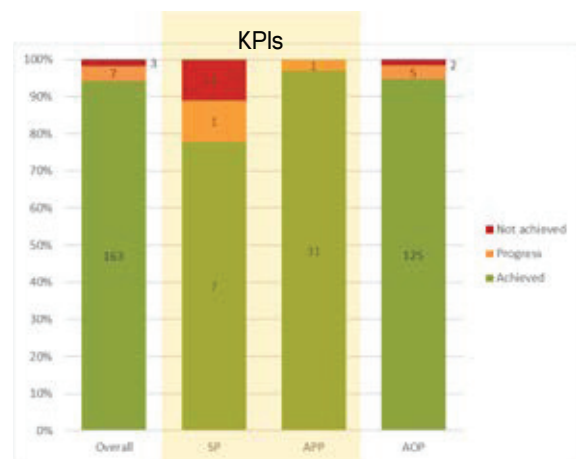


Figure 3: Comparison of performance per planning level (2017/18)

¹ Number of indicators per plan



Three levels of performance are applied in assessing achievement of indicator targets, as indicated.

In accordance with the prescripts of the Framework for Strategic Plans and Annual Plans, ECPTA disallows early or late attainment of targets to be recorded as over-performance in any quarter in which they were not planned for. These achievements are, however, included in the annual tally of performance.

Key to performance status

Score 1 = Not Achieved: Performance result $\leq 70\%$ of target

Score 2 = Partially achieved: Performance result $> 70\%$ and $< 100\%$ of target

Score 3 = Achieved: Performance result $\geq 100\%$ of target

Table 1: Summary of Key Performance Indicators in the 2017/18 Annual Performance Plan

Strategic Objective Indicators (SOI)			Total #	(1)	(2)	(3)
Annual Performance Indicators (API)				Achieved	Progress	Not achieved
1.1	To implement a decision support system for biodiversity management in the province throughout the MTEF	SOI	1	1	0	0
		API	3	3	0	0
1.2	To expand the protected area system as mandated throughout the MTEF period	SOI	1	1	0	0
		API	3	3	0	0
1.3	To encourage participation of previously disadvantaged individuals in the mainstream tourism industry throughout the MTEF period	SOI	1	1	0	0
		API	3	3	0	0
1.4	To encourage participation of previously disadvantaged individuals in the conservation and game farming industries throughout the MTEF	SOI	1	1	0	0
		API	2	2	0	0
2.1	To ensure that the Province is ranked in the top 3 most-visited destinations in the domestic market by 2020	SOI	1	0	1	0
		API	3	3	0	0
3.1	To develop provincial nature reserves as tourism products throughout the MTEF	SOI	1	0	0	1
		API	4	3	1	0
3.2	To maintain effective management of protected areas throughout the MTEF period	SOI	1	1	0	0
		API	5	5	0	0
3.3	To mobilise resources for tourism and conservation development on reserves throughout the MTEF period	SOI	1	1	0	0
		API	2	2	0	0
4.1	To ensure the organisation's ability to meet its mandate by providing cross-cutting support services throughout the MTEF	SOI	1	1	0	0
		API	7	7	0	0
			41	38	2	1
ECPTA 2017-18 KPIs				92.7%	4.9%	2.4%





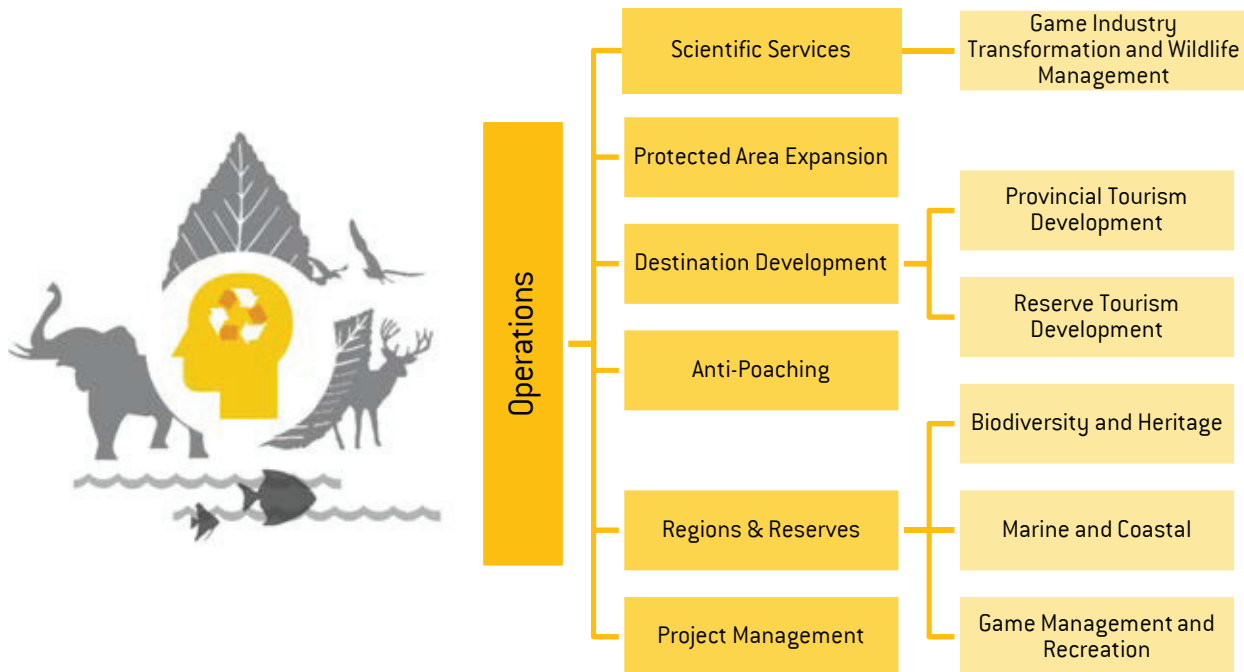
3.1 Programme 1: Operations

3.1.1 Description of programme

3.1.1.1 Purpose

Programme 1: Operations is an amalgamation of three previously disconnected departments namely Biodiversity Conservation, Reserve Operations and Tourism Development. The amalgamation is a result of the intentional streamlining of mandated activities according to the 5-year Strategic Plan [2015/16 to 2019/20]. The units within the programme combine to ensure that ECPTA effectively manages all aspects of the protected areas for which it is responsible. Responsibilities include protected species management, reserve security, biodiversity management, protected area planning and expansion, tourism development, as well as management and development of infrastructure and facilities.

3.1.1.2 Programme Structure: Operations



3.1.1.3 Key functions of Operations

Strategic and operations management of the ECPTA's regional (cluster) operations by managing, implementing and extending the expansion of the regional tourism routes and the ECPTA reserves.

Ensure that the wild life protection regulations, investigations and prosecution of criminal offenses as prescribed by legislation are implemented and supported, including the acquisition of permits.

Provide professional scientific information and planning support to guide and inform biodiversity management, strategy and decision making in the Agency.

Lead efforts to expand the protected area estate through Stewardship

Facilitate access to the biodiversity economy and facilitate co-management agreements





Manage and improve hospitality services and guest experiences.

Manage and support the engagement of communities associated with reserves (including co-management of reserves) and through the ECPTA's social responsibility projects.

Ensure operations compliance with Occupational Health and Safety legislation.

Management of relationships with ECPTA's stakeholders within the Province.

During the year under review, the Programme was responsible for the achievement of seven Strategic Objectives.

3.1.1.4 *Scientific Services*

Strategic Objective 1.1: To implement a decision support system for biodiversity management in the province throughout the MTEF

The core function of Scientific Services is to ensure that the management and expansion of the protected areas is based on and informed by good science. To this end, the sub-programme executes the following key functions:

1. Conduct priority research to guide, inform and support management decisions
2. Manage and facilitate external research
3. Develop and Implement monitoring programme s
4. Develop and review Protected Area Management Plans

5. Develop and review subsidiary management plans
6. Manage Biodiversity Data
7. Provide Ecological and Environmental Management Advice and Support
8. Develop biodiversity management policies, plans and strategies
9. Support Provincial and National biodiversity conservation initiatives, including Protected Area Expansion.

3.1.1.5 *Game Industry Transformation and Game Management*

Strategic Objective 1.4: To encourage participation of previously disadvantaged individuals in the conservation and game farming industries throughout the MTEF

Operationally this sub-unit falls under Scientific Services because the management of game, including translocation to transformation sites, is subject to strict scientific

planning and monitoring. The sub-unit engages a range of relevant units, reserves and regions to execute its work.





3.1.1.6 Protected Area Expansion

Strategic Objective 1.2: To expand the protected area system as mandated throughout the MTEF period

South Africa is the third most biologically diverse country in the world, with high levels of endemism. With seven biomes, the Eastern Cape is the most biodiverse province, yet species and ecosystems are facing enormous pressures, mainly due to utilisation of land for agriculture and infrastructure development. Climate change will have an additional impact on biodiversity and ecosystem services. Unfortunately, the protected area system is inadequate to conserve the Eastern Cape's internationally recognised natural capital. The protected area estate needs to expand. The National Protected Area Expansion Strategy (NPAES) sets protected area targets for South Africa, provides maps of focus areas for protected area expansion, and makes recommendations on mechanisms for protected area expansion. The Eastern Cape Protected Area Expansion Strategy and Action Plan builds on the NPAES and identifies priority areas for expansion in the province.

The state has insufficient funds to purchase land for protected area expansion. The key alternative to purchasing land is stewardship, which aims to secure biodiversity assets in priority areas through voluntary agreements with private and communal landowners or users.

Biodiversity stewardship contributes to securing biodiversity features and ecosystem services through agreements and formal declaration of protected areas, while also addressing socio-economic and rural development imperatives. To date this programme has secured the declaration of approximately 190 000 ha. The ECPTA Stewardship Programme works towards expanding and consolidating the protected area network through contract agreements with private and communal landowners whose land is of biodiversity importance, as well as enabling sustainable use of natural resources and managing land based threats across the landscape. This requires engagement with interested landowners and communities in areas identified as priorities for

conservation. Often a series of contact sessions are held over a number of years, before actual agreement is reached and the properties can be declared. The Programme works in close collaboration with a wide range of partners, including government departments such as Department of Agriculture, Forestry and Fisheries (DAFF), Department of Environmental Affairs (DEA) and DEDEAT as well as NGOs such as Endangered Wildlife Trust, WWF-SA and Eden to Addo.

The PA Expansion unit supports the process to properly determine the boundaries of protected areas, engage with other relevant government departments, including the Department of Public Works, and ensure the proper description and declaration of these areas to ensure that they are legally secure.

1. Implement the Eastern Cape Protected Area Expansion Strategy
2. Maintain a Register of Protected Areas (PA)
3. Expand and consolidate protected areas managed by ECPTA
4. Support processes to check (verify), rectify and demarcate boundaries of protected areas
5. Engage with landowners and communities in priority areas for conservation
6. Assess the biodiversity importance of candidate sites
7. Manage the process to declare protected areas, in line with the requirements of legislation, in particular the National Environmental Management: Protected Areas Act (NEM:PAA)
8. Sign PA Management Agreements with landowners
9. Support landowners to develop PA Management Plans
10. Leverage access to incentives for landowners
11. Assess the implementation of PA Management Plans





3.1.1.7 Destination Development

The Destination Development Unit draws its mandate from the ECPTA Act 2 of 2010, and focuses on developing the industry in the province. Since 2016/17, this has included intentional attention to developing the tourism capacity of reserves. Consequently, two sub-units were established in 2017/18 to elevate these two focus areas:

Provincial Tourism Development (Sub-unit)

Strategic Objective 1.3: To encourage participation of previously disadvantaged individuals in the mainstream tourism industry throughout the MTEF period

Transformation of the tourism industry is critical to the future success of the industry. Whilst a certain degree of organic growth in transformation will occur in the industry over time, some interventions are necessary to assist with the process. Transformation programmes seek to ensure that emerging enterprises owned by Previously Disadvantaged Individuals get to the mainstream of the sector through

- Providing market access to SMMEs
- Providing tourism interventions / support to tourism associations and businesses
- Preparing communities to leverage benefits from events held in their localities

In order for the Eastern Cape to compete with other destinations, it has to offer unique, diverse and good quality tourism products. ECPTA supports this by:

- Supporting community tourism projects
- Installing tourism signage

- Implementing tourism safety programmes

The unit seeks to ensure that tourism businesses have the correct skills to manage their businesses, and does so by:

- Identifying needs and facilitating the implementation of skills and training programmes
- Creating tourism awareness for youth

The objective of the quality assurance unit is to ensure that every visitor leaves the destination having experienced the warmth of the people and superior service excellence.

- Facilitate grading of accommodation establishments
- Support tourism products to participate in the Tourism Lilizela Awards
- Provide oversight and monitor compliance of tourism products and tour guides with legislation
- The Registrar of Tourism maintains a database of tourist guides in the Province

Reserve Tourism Development (Sub-unit)

Strategic Objectives 3.1: To develop provincial nature reserves as tourism products throughout the MTEF

The sub-unit is responsible for all hospitality-related functions on reserves. These vary from delivery of customer services to identifying and engaging activity operators. With the support of other units, the Reserve

Tourism Development sub-unit spearheads commercialisation efforts aimed at increasing adventure experiences and revenue opportunities.





3.1.1.8 Regional Reserve Clusters

Strategic Objective 3.2: To maintain effective management of protected areas throughout the MTEF period

ECPTA deploys the Regional-Reserves Cluster approach to effectively manage the protected areas for which ECPTA is responsible, to maintain a regional presence for both conservation and tourism, and to manage infrastructure and facilities on reserves.

Project Management

The Project Management Unit is responsible for designing, planning and executing all infrastructure implementation and maintenance on all ECPTA-managed reserves. With the dwindling infrastructure budget, maintenance is emphasised to offset the growing backlog. The unit employed 306 individuals from local communities on short-term contracts for infrastructure projects during the reporting period.

Social Responsibility and EPWP

The unit is the implementing agent for conservation projects linked to the Extended Public Works Programme. It is responsible for securing, contracting, and co-ordinating various “Working for ...” projects as well as Youth Environmental Service (YES) deployments. Both EPWP and YES are programmes of the National Department of Environmental Affairs and Tourism. Consequently, the unit has contributed to sustaining 279 work opportunities in rural communities in 2017/18.

Reserve Management

Cluster	Regional Office	Reserves
Biodiversity and Heritage	Island Nature Reserve	Baviaanskloof World Heritage Site
		Formosa
		Groendal & Island
		Thomas Baines & Waters Meeting
		Great Fish River
Marine and Coastal	Mthatha	Mkhambathi
		Hluleka
		Silaka
		Dwesa Cwebe
		Nduli Luchaba
Game Management and Recreation	East London	Mpofu / Fort Fordyce
		Tsolwana / Commando Drift
		Ongeluksnek
		East London Coast
		Oviston

1.2.2 Strategic objectives, performance indicators planned targets and actual achievements

3.1.2.1 Strategic Objective 1.1: Biodiversity Decision Support

To implement a decision support system for biodiversity conservation in the province throughout the MTEF period

ECPTA is responsible for Biodiversity Conservation Management, which is essentially the provision of professional decision support to ensure that biodiversity management in the Protected Areas managed by the Eastern Cape Parks and Tourism Agency (ECPTA) is appropriate. Areas of function are measured against APP targets and culminate in the achievement of the Biodiversity Decision Support Index. The index provides a summary of 3 lower indices that measure contributions in Research, Monitoring and Ecological planning. Outputs generated include, scientific papers published in peer review journals, research and monitoring reports, subsidiary management plans, species surveys, new data sets developed or acquired, and research agreements concluded, and comments submitted in response to environmental impact assessments and on-reserve infrastructure development projects.





Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
1.1 Biodiversity Decision Support Index	3 (index score)	2.7 (index score)	3 (index score)	+ 0.3 (index points)	All underlying indices fully achieved
1.1.1 Biodiversity Research Index	3 (index score)	2.7 (index score)	3 (index score)	+ 0.3 (index points)	All operational targets achieved
1.1.2 Biodiversity Monitoring Index	3 (index score)	2.7 (index score)	3 (index score)	+ 0.3 (index points)	All operational targets achieved
1.1.3 Ecological planning Index	3 (index score)	2.7 (index score)	3 (index score)	+ 0.3 (index points)	All operational targets achieved

1.1 Biodiversity Decision Support Index	Weight	Planned	Actual	Index score
1.1.1 Biodiversity Research Index	40	2.7	3	3
1.1.2 Biodiversity Monitoring Index	40	2.7	3	3
1.1.3 Ecological planning Index	20	2.7	3	3
1.1 Biodiversity Decision Support Index	100	2.7		3.0

1.1.1 Biodiversity Research Index	Weight	Planned	Actual	Index score
1.1.1.1 Establish priority research agenda	30	1	1	3
1.1.1.2 Research to fill identified knowledge gaps	20	3	4	3
1.1.1.3 Manage External Research on Reserves	10	1	1	3
1.1.1.4 Develop systems to support conservation	20	8	8	3

1.1.1 Biodiversity Research Index	Weight	Planned	Actual	Index score
1.1.1.5 New taxon Inventories developed	10	13	13	3
1.1.1.6 Taxon Surveys conducted	10	1	1	3
1.1.1 Biodiversity Research Index	100			3.0

1.1.2 Biodiversity Monitoring Index	Weight	Planned	Actual	Index score
1.1.2.1 Ecological Monitoring conducted	20	5	5	3
1.1.2.2 Game Census completed	30	1	1	3
1.1.2.3 Priority Taxon Monitoring completed	30	10	10	3
1.1.2.4 Monitor Annual Game off-takes	20	1	1	3
1.1.2 Biodiversity Monitoring Index	100			3.0



1.1.3 Ecological planning Index	Weight	Planned	Actual	Index score
1.1.3.1 Species Management Plans Developed	35	1	1	3
1.1.3.2 Ecological Management Plans Developed	33	3	3	3
1.1.3.3 Annual Game Management Recommendations	32	1	1	3
1.1.3 Ecological planning Index	100			3.0

3.1.2.2 Strategic Objective 1.2: Protected Area System Expansion

To expand the protected area system as mandated throughout the MTEF period

The National DEA, in collaboration with Provinces, sets annual targets for the expansion of the protected area estate, which indicates the level of progress towards the Millennium Development Goal and Convention on Biodiversity on conservation. It shows the total surface area of marine and terrestrial areas under formal conservation at the time of reporting (critical priority areas, and not merely the total number of hectares).

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
1.2 Provincial PAES target per annum	0 ha	8 000 ha	67 887 ha	59 887 ha	The properties prepared but not declared in 2016/17 are included in the 2017/18 results
1.2.1 Stewardship programme implementation	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved
1.2.2 Socio-economic beneficiation through People & Parks Programme	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	2.8 (index score)	+ 0.1 (index points)	Most operational targets achieved
1.2.3 Integrated planning support implementation	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved





1.2.1 Stewardship programme implementation	Weight	Planned	Actual	Index score
1.2.1.1 Manage declaration processes for stewardship sites	40	1	1	3
1.2.1.2 Negotiate agreements for stewardship sites	35	4	4	3
1.2.1.3 Assess annual implementation of protected area management plans	25	4	4	3
1.2.1 Stewardship programme implementation	100			3.0

1.2.2 Socio-economic beneficiation through People & Parks Programme	Weight	Planned	Actual	Index score
1.2.2.1 Preparation to monitor Socio-economic beneficiation	20	100	90	2
1.2.2.2 Formalise co-management agreements with land claimant communities	30	1	1	3
1.2.2.3 Implement capacity-building programme with land claimant communities	25	1	1	3
1.2.2.4 Coordinate Environmental Education Programme	25	4	4	3

1.2.2 Socio-economic beneficiation through People & Parks Programme	Weight	Planned	Actual	Index score
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1.2.2 Socio-economic beneficiation through People & Parks Programme	100			2.8
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1.2.3 Integrated planning support implementation	Weight	Planned	Actual	Index score
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1.2.3.1 Provide support to provincial and municipal biodiversity planning processes	20	1	1	3
1.2.3.2 Participate in priority EIA processes	20	1	1	3
1.2.3.3 Update Protected Area Management Plans	40	3	3	3
1.2.3.4 Support development of Implementation plan for N2 Biodiversity Offset	20	1	1	3

1.2.3 Integrated planning support implementation	100			3.0
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3.1.2.3 Strategic Objective 1.3: Provincial Tourism Development

To encourage participation of previously disadvantaged business owners in the mainstream tourism industry throughout the MTEF period

The provincial tourism industry remains dominated by white-owned businesses and established national and multi-national conglomerates. Tourists and government are loathe to contract with products that are not quality assured, or are not graded at 3-stars or above

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
1.3 Provincial tourism development	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3 (index score)	+ 0.3 (index points)	All underlying indices fully achieved
1.3.1 Tourism Industry Support	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved
1.3.2 Tourism Development Support	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved
1.3.3 Tourism Service Standards	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved

1.3.1 Tourism Industry support	Weight	Planned	Actual	Index score
1.3.1.1 Implement tourism support program	30	13	14	3
1.3.1.2 Provide support to community tourism projects	30	90	97.5	3
1.3.1.3 Number of seasonal tourism jobs	10	60	77	3
1.3.1.4 Disseminate Tourism Safety information	10	1	1	3
1.3.1.5 Implement Initiatives to empower youth on tourism	20	10	14	3

1.3.1 Tourism Industry support	Weight	Planned	Actual	Index score
1.3.1 Tourism Industry support	100			3.0

1.3.2 Tourism Development Support	Weight	Planned	Actual	Index score
1.3.2.1 Develop Reserve Tourism Development Plans	20	3	3	3
1.3.2.2 Facilitate partnerships for tourism activities in the reserves	20	9	9	3
1.3.2.3 Enhance Reserve activities through cultural offerings	10	2	2	3



1.3.2 Tourism Development Support	Weight	Planned	Actual	Index score
1.3.2.4 Develop tourism knowledge management system for each Reserve	20	1	1	3
1.3.2.5 Create tourism awareness	20	16	19	3
1.3.2.6 Reserve tourism signage	10	7	8	3
1.3.2 Tourism Development Support	100			3.0

1.3.2 Tourism Development Support	Weight	Planned	Actual	Index score
1.3.3 Tourism Service Standards	Weight	Planned	Actual	Index score
1.3.3.1 Develop Tourism SOPs for Reserves	35	2	2	3
1.3.3.2 Facilitate tourist guide compliance	35	1	1	3
1.3.3.3 Implement Tourism Lilizela Awards Program	30	90	100	3
1.3.3 Tourism Service Standards	100			3.0

3.1.2.4 Strategic Objective 1.4: Biodiversity economy initiatives implemented

To encourage participation of previously disadvantaged individuals in the conservation and game farming industries throughout the MTEF period

As with other areas of transformation, the Province intends to redress the historic exclusion of black persons from game ranching and associated economic benefits. The project will contribute to the spread of economic benefit, create new partnerships for protected area expansion, contribute to biodiversity conservation, and strengthen tourism potential. The project has two components; first, the implementation of a game loan scheme system, and secondly, the identification of black land owners for assistance and mentorship

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
1.4 Biodiversity economy initiatives implemented	New indicator	1 (Yes=1 / No=0)	1 (Yes)	No deviation	Initiatives implemented
1.4.1 Game farm programme implemented	New indicator	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved
1.4.2 Transformation facilitation	New indicator	2.7 (index score)	3.0 (index score)	+ 0.3 (index points)	All operational targets achieved



1.4.1 Game farm programme	Weight	Planned	Actual	Index score
1.4.1.1 Maintain game transformation candidates register / data base	10	1	1	3
1.4.1.2 Deliver approved animals from 2017 approval process	50	85	99	3
1.4.1.3 Develop SOP for introducing donated game species to transformation sites	10	1	1	3
1.4.1.4 Facilitate agreements with approved transformation sites for 2017 round	30	3	3	3
1.4.1 Game farm programme	100			3.0

1.4.1 Game farm programme	Weight	Planned	Actual	Index score
1.4.2 Transformation facilitation	Weight	Planned	Actual	Index score
1.4.2.1 Facilitate Eastern Cape Game Transformation Forum	65	2	2	3
1.4.2.2 Provide specialist advice on the Double Drift / Brakfontein property development as part of DEA programme	35	100	100	3
1.4.2 Transformation facilitation	100			3.0

3.1.2.5 Strategic Objective 3.1: Reserves as Products

To develop provincial nature reserves as tourism products throughout the MTEF

The Strategic Plan for 2015-2020 builds on the notion that ECPTA would better display the assets for which it is responsible if reserves were not treated generically. A thorough assessment of the unique features of each reserve resulted in clustering of reserves based on niches; 3 distinct clusters were identified: Biodiversity and Heritage; Hunting and Recreation; Marine and coastal. The ECPTA's operational structure was adjusted accordingly. Reserve-based activity is now better aligned to the features of each reserve and its carrying capacity for various developments. In addition, ECPTA is committed to developing, marketing and maintaining reserves as tourism products that can attract visitors and increase the number of tourists visiting the Province.

This indicator measures the success of the ECPTA's game management, hospitality management and tourism development units in establishing and maintaining ecologically sensitive commercial products and activities on reserves.

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
3.1 Reserves as Products	New indicator	2.7 (index score)	2.6 (index score)	- 0.1 (index points)	Wildlife revenue target not achieved



Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
3.1.1 Revenue from wildlife sales	R14.669 million	R14.900 million	R12.842 million	- R2.060 million	Drought and flattening of the wildlife market decreased the value of game sold on auction
3.1.2 Hospitality Revenue	R6.575 million	R5.194 million	R7.525 million	+ R2 331 million	Successful roll-out of reserve tourism turnaround plans
3.1.3 Reserve-based tourism plans	New indicator	2.7 (index score)	2.7 (index score)	No deviation	Quarterly targets achieved in all but one quarter
3.1.4 Customer satisfaction index	87%	80%	90%	+ 10%	Successful roll-out of reserve tourism turnaround plans

3.1 Reserves as Products	Weight	Planned	Actual	Index score
3.1.1 Revenue from wildlife sales	40	14 900	12 842	2
3.1.2 Hospitality Revenue	10	5 194	7 525	3
3.1.3 Reserve-based tourism plans	40	2.7	2.7	3
3.1.4 Customer satisfaction index	10	80	91	3
3.1 Reserves as Products	100			2.6

3.1.3 Reserve-based tourism plans	Weight	Planned	Actual	Index score
3.1.3.1 Tourism (turnaround) plan implementation	60	90	66.67	2
3.1.3.2 Grading Tourism Facilities (Reserves)	40	17	17.00	3
3.1.3 Reserve-based tourism plans	100			2.7





3.1.2.6 Strategic Objective 3.2: Protected Area Management

To maintain effective management of protected areas in line with national targets

South Africa's system of protected areas is established in the National Environmental Management: Protected Areas Act, 2003 (the Act) and comprises of the following types of protected areas

- Special nature reserves as declared in terms of section 18 of the Act;
- National Parks as declared in terms of section 20 of the Act;
- Nature reserves as declare in terms of section 23 of the Act;
- Protected environments as declared in terms of section 28 of the Act;

In addition the Act recognises the following protected areas as part of South Africa's system of protected areas

- World heritage sites as proclaimed in terms of section 1 of the World Heritage Convention Act, 1999;
- Marine protected areas declared in terms of section 43 of the Marine Living Resources Act, 1998;
- Forest nature reserves and forest wilderness areas declared in terms of section 8 of the National Forests Act, 1998; and
- Mountain catchment areas declared in terms of the Mountain Catchment Areas Act, 1979

As a Contracting Party to the Convention of Biological Diversity, South Africa has an obligation to meet the goals set out in the Programme of Work for Protected Areas. The METT-SA is a monitoring tool designed to establish the extent to which South Africa meets this obligation. It is anticipated that a METT assessment is conducted at least every two years.

Because the ECPTA wishes to manage the effectiveness of its protected area management on a more regular basis, and because the METT-SA has been identified as weak on the measurement of biodiversity objectives and outcomes, ECPTA augments the METT-SA with State of Area Integrity Management (SoAIM) assessments, with a view to providing more immediate feedback at reserve level.

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
3.2 METT-SA score	72 (score)	68 (score)	75 (score)	+7 (score)	Successful implementation of reserve specific METT turnaround plans
3.2.1 Reserves with METT-SA score over 67	14 (93 %)	10 (reserves)	15 (reserves)	+ 5 (reserves)	Success of METT turnaround plans
3.2.2 State of Reserves	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	All operational targets achieved
3.2.3 Game Management	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	All operational targets achieved





Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
3.2.4 Infrastructure implementation	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	All operational targets achieved
3.2.5 EPWP implementation	1 (Yes) [Yes(1) / No(0)]	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	Most operational targets achieved

3.2.2 State of Reserves	Weight	Planned	Actual	Index score
3.2.2.1 PA Management system evaluation report	15	1	1	3
3.2.2.2 Execution of prioritised turn around strategies recommended from evaluation report	35	15	15	3
3.2.2.3 Implementation of key species (rhino, elephant) management plans	30	1	1	3
3.2.2.4 Operational risk assessments per reserve	20	15	15	3
3.2.2 State of Reserves	100			3.0

3.2.3 Game Management	Weight	Planned	Actual	Index score
3.2.3.1 Internal translocation operation	45	95	120	3
3.2.3.2 Game donation programme implemented	10	4	7	3
3.2.3.3 Rhino management programme implemented	45	1	1	3
3.2.3 Game Management	100			3.0

3.2.4 Infrastructure implementation	Weight	Planned	Actual	Index score
3.2.4.1 Project milestones achieved	30	90	92.5	3
3.2.4.2 Job opportunities created	20	120	306	3
3.2.4.3 SMMEs engaged on infrastructure projects	15	18	21	3
3.2.4.4 Occupational Health & Safety (OHS) audits	15	20	20	3
3.2.4.5 Development of Infrastructure Master Plan	20	1	1	3
3.2.4 Infrastructure implementation	100			3.0





3.2.5 EPWP implementation	Weight	Planned	Actual	Index score
3.2.5.1 Job opportunities created (sustained)	40	200	279	3
3.2.5.2 Spending directed towards SMMEs / Enterprises supported through EPWP	20	1 800	209	3

3.2.5 EPWP implementation	Weight	Planned	Actual	Index score
3.2.5.3 Hectares (ha) cleared of invasive alien plants species	40	900	1 061	3
3.2.5 EPWP implementation	100			3.0

3.1.2.7 Strategic Objective 3.3: Resource mobilisation

To mobilise resources for tourism and conservation development on reserves throughout the MTEF period

It has been noted that it is necessary to elevate resource mobilisation to the level of a strategic objective to better support the organisational Goal (To leverage resources for tourism and conservation priorities). Shrinking fiscal resources have amplified the importance of these efforts.

Contributions to achievement of the resource mobilisation objective are made throughout the organisation. The office of the Chief Operations Officer is responsible for co-ordination of resource mobilisation efforts.

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
3.3 Resource mobilisation	New indicator	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	All underlying indices fully achieved
3.3.1 Conservation resources	New indicator	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	All operational targets achieved
3.3.2 Tourism Development resources	New indicator	2.7 (index score)	3.0 (index score)	+ 0.3 (index score)	All operational targets achieved

3.3 Resource mobilisation	Weight	Planned	Actual	Index score
3.3.1 Conservation resources	50	2.7	3	3
3.3.2 Tourism Development resources	50	2.7	3	3
3.3 Resource mobilisation	100			3.0





3.3.1 Conservation resources	Weight	Planned	Actual	Index score
3.3.1.1 Review / adapt the stakeholder matrix	50	1	1	3
3.3.1.2 Identify resource mobilisation opportunities from database of potential government funders	30	1	1	3
3.3.1.3 Match funders to ECPTA projects	20	75	100	3
3.3.1 Conservation resources	100			3.0

3.3.2 Tourism Development resources	Weight	Planned	Actual	Index score
3.3.2.1 Review / adapt the stakeholder matrix	50	1	1	3
3.3.2.2 Identify resource mobilisation opportunities from database of potential government funders	30	1	1	3
3.3.2.3 Match funders to ECPTA projects	20	75	100	3
3.3.2 Tourism Development resources	100			3.0



3.1.3 Strategy to overcome areas of under performance

3.1.3.1 Reserves as Products

Under-achievement against targets for this strategic objective relate to the collection of revenue from the sale of wildlife.

Wildlife revenue was under-collected against target by R2.990 m. The prevailing drought combined with a declining market for buffalo breeding stock and bontebok resulted in the annual game auction not achieving expected revenue targets. As both these factors are set to remain, additional avenues for wildlife sales are to be tested for the 2018/19 season. These include online auctions for both live sales and hunting.

The collection of reserve-generated revenue has been to topic of negotiation between the stakeholder department, ECPTA and Provincial Treasury for some time. It has been resolved that the continued inclusion of revenue targets in

the ECPTA's annual budget has led to the effective reduction of the ECPTA's baseline. When the ECPTA under-collects, planned operations to execute mandatory functions are compromised. A lasting solution to this problem is expected to be agreed in the 2018/19 financial year, in preparation for planning for 2019/20.

3.1.4 Changes to planned targets

Once it became clear that, due to the drought and changed market conditions, the ECPTA was unable to earn the value of revenue originally planned, Provincial Treasury and DEDEAT approved a decrease in the revenue target. This did not qualify as a change to the Annual Performance Plan as the revision took place after completion of all wildlife revenue activities. The APP targets were thus NOT changed during the period under review.

3.1.5 Linking performance with budgets

R'000 OPERATIONS	Expenditure 2016/17	Original Budget 2017/18	Adjusted Budget 2017/18	Expenditure 2017/18	{Over} / Under Expenditure
Goods and Services	43 183	34 429	36 445	35 553	892
Compensation of Employees	92 026	101 159	99 504	99 709	(205)
Capital Expenditure	36 210	13 938	13 078	14 941	(1 863)
Total	171 419	149 526	149 027	150 203	(1 176)





3.2 Programme 2: Marketing

3.2.1 Description of programme

3.2.1.1 Purpose

The Marketing Programme is responsible for marketing, promotion of the Eastern Cape Province as a tourism destination in accordance with Section 13 of the ECPTA Act 2 of 2010. It is further tasked with promoting accommodation and activities on Reserves, as well as managing and executing internal and external corporate communication functions.

1.2.2.2 Programme Structure: Marketing



3.2.1.3 Key functions of Marketing

1. Marketing

The Marketing Unit is responsible for marketing the Eastern Cape Province both domestically and internationally. The unit continues to execute its mandate to position the Eastern Cape as a compelling and attractive tourism destination on a range of international and domestic platforms. In addition, as per the Provincial Tourism Marketing Strategy, the unit successfully supports and partners with a range of stakeholders to collaborate and build pride amongst the citizens of the Eastern Cape.

Emanating from the Agency's overall Strategic Plan, the primary goal of the Marketing Unit is to ensure that the Province is ranked in the top 3 most-visited destinations in the domestic market by 2020.

International Marketing

The ECPTA's international programme aims to increase familiarity and knowledge of the Eastern Cape as a viable tourism destination in targeted international trade and tourism markets. Key markets include UK, Germany and the Benelux Countries.

Targeted initiatives such as joint marketing agreements, trade shows, newsletters and other traditional marketing techniques are used to raise awareness of all that the Eastern Cape has to offer to international visitors.

ECPTA also engages the trade and media and hosts familiarisation tours to ensure positive perceptions and increase product knowledge of the Province.

Domestic Marketing

The domestic market is of particular importance to the Eastern Cape as a high percentage of tourists to the province are from within South Africa. Domestically, the





ECPTA's aim is to contribute towards building and encouraging active citizenship. This is being achieved through a number of campaigns to mobilise the residents of the Eastern Cape to become brand ambassadors and to participate in promoting the province.

The ECPTA has created marketing platforms for the private and public sector partners to co-market with ECPTA at the Getaway, Outdoor Adventure and Beeld Holiday shows in the major cities of Cape Town and Johannesburg.

The Marketing Unit is also responsible for the promotion of the Provincial Nature Reserves. Various campaigns to create awareness of the reserves utilise both traditional and contemporary media platforms such as Facebook, YouTube, twitter and Instagram.

Branding

The Adventure Province Brand was established to lead, co-ordinate and support the creation of a unifying identity of this compelling tourism brand - the Eastern Cape. As the custodian of the brand, the Marketing Unit facilitates collaboration with partners in government and the private sector; working together to market the province. Building a strong brand is a cross-cutting issue as relevant to the international market as it is to the domestic market. The priority approach is to ensure that all stakeholders are equipped to promote the same brand-aligned message, irrespective of which platform they may be on, or which sector they may represent.

Work with the Office of the Premier is ongoing to integrate the Provincial "Home of Legends" brand with the "Adventure Province" sector brand.

E-Marketing

The ECPTA has a website and makes use of e-marketing as part of the campaigns and initiatives which are undertaken. The core function of this programme is to

increase the ECPTA and Adventure Province online footprint. Maximising the use of e-marketing and social media allow the marketing reach to extend beyond the borders of South Africa in a cost effective manner.

2. Business Events and Marketing

ECPTA recognises events hosting as a tool for drawing visitors to the province. Events are experiential in nature and provide for a solid reason to travel to a destination over and above the traditional tourism product offerings. This has further spins offs in the economy as business tourists require more services.

Successful and consistent hosting of events is a proven mechanism for placing destinations on the world map, creating a reason for tourists to travel across the globe.

3. Corporate Communication and Media

The purpose of the Corporate Communication and Media unit is to communicate ECPTA's mandate, vision and objectives effectively to different target audiences. It aims to nurture a positive reputation for both the Agency and the Eastern Cape as tourist destination. The function became a stand-alone unit in the new structure.

4. Tourism Information and Research

Tourism Information and Research are critical tools for effective decision making around tourism development and marketing. The remit of the unit is to ensure that the Agency's efforts on tourism development and marketing are impactful, measurable and trackable. A fully-fledged tourism research and information function was initially expected to be in place by the end of 2016/17. Alternative mechanisms for achieving the research outputs were identified to ensure access to tourism-related information. The change in approach proved to be more widely useful than the original methodology, and will inform the scope of research capacity in the coming period.



3.2.2 Strategic objectives, performance indicators planned targets and actual achievements

3.2.2.1 Strategic Objective 2.1 SA Tourism Ranking

To ensure that the Province is ranked in the top 3 most-visited destinations in the domestic market by 2020

The Province's domestic tourism ranking declined significantly after peaking in second position in 2010. By 2013/14, the Eastern Cape was ranked the second least visited of the 9 South African provinces (i.e. with a rank of 8) according to some sources. This dire position motivated the ECPTA to set itself the challenge of moving the province to position within the top 3 most visited provinces by the domestic market in 2020.

If tourism is to regain its status as a major contributor to the provincial economy, the ranking will need to improve. ECPTA believes that the growth of the domestic market has the potential to drive performance in the global market. This objective is thus aligned to the vision of the National Tourism Sector Strategy which is to position South Africa as one of the top 20 tourism destinations globally by 2020.

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
2.1 SA Tourism Ranking	4 (domestic ranking)	4 (domestic ranking)	5 (domestic ranking)	-1 (domestic ranking)	General economic and sector sluggishness
2.1.1 Brand awareness index	3.0 (index score)	2.7 (index score)	2.9 (index score)	+0.2 (index score)	Most operational targets achieved
2.1.2 Destination marketing index	3.0 (index score)	2.7 (index score)	2.8 (index score)	+0.12 (index score)	Most operational targets achieved
2.1.3 Corporate Identity index	2.3 (index score)	2.7 (index score)	2.95 (index score)	Rounded up to 3. No deviation	Most operational targets achieved

2.1.1 Brand awareness index	Weight	Planned	Actual	Index score
2.1.1.1 Domestic Promotion	20	10	12	3
2.1.1.2 Event partnerships established	15	7	10	3
2.1.1.3 Reserve Promotions conducted	15	4	4	3
2.1.1.4 Profiling of EC conferencing facilities on MICE platforms	15	2	2	3
2.1.1.5 Digital Marketing - website	5	20	1	1

2.1.1.6 Digital Marketing - social media	15	20	87	3
2.1.1.7 Digital Marketing - promotion	10	100 000	210 222	3
2.1.1.8 Brand Management and advertising	5	12	15	3
2.1.1 Brand awareness index	100			2.9



2.1.2 Destination marketing index	Weight	Planned	Actual	Index score
2.1.2.1 Trade Exhibitions (appointments)	25	220	527	3
2.1.2.2 Trade Educationals (products)	15	24	76	3
2.1.2.3 Joint Marketing Agreements	20	2	2	3
2.1.2.4 Stakeholder Engagements (formal sessions)	15	3	4	3
2.1.2.5 Country Representatives (sales calls)	15	80	119	3
2.1.2.6 Tourism Products Database (availability)	10	1	4	3
2.1.2 Destination marketing index	100			3.0

2.1.3 Corporate Identity Index	Weight	Planned	Actual	Index score
2.1.3.1 Stakeholder relationship (external)	30	70	78	3
2.1.3.2 Media exposure index	30	20	63	3
2.1.3.3 Corporate communication framework implementation	35	2.7	3	3
2.1.3.4 Research management	5	2.7	2	2
2.1.3 Corporate Identity Index	100			3.0

3.2.3 Strategy to overcome areas of under performance

There were two areas of under-performance, namely SA Tourism Ranking and research management.

Domestic tourism in South Africa has declined by approximately 30% since 2015/16. Limpopo is the only province to have recorded increases in domestic trips in the past two years. In the context of a sluggish economy and concomitant decline in domestic tourism, the drop from a ranking of 4th to 5th is reasonable, particularly because more than half the travellers in the Eastern Cape come from within the province itself.

Statistics sourced from SA Tourism for 2017 are provisional.

- **Eastern Cape Ranking 5**
- **1.617 million domestic trips to the province**
- **8% of the national total for domestic trips**





For the 2017/18 financial year, the ECPTA's approach to domestic marketing was to focus primarily on the Visiting Friends and Relatives (VFR) market and to use the residents of the Eastern Cape as promotional ambassadors.

Encouraging existing visitors and locals to experience more of the attractions of the Adventure Province, through building citizen pride and educational interventions, underpinned all the marketing campaigns for the financial year.

Over the period, the Eastern Cape has maintained its share of the international market at 3%, bearing in mind that there are no direct international flights to the province, and limited international labour migration with neighbouring countries.

In the absence of a Research unit, Eastern Cape tourism data was acquired through consultation with South African Tourism and DEDEAT. Insourcing capacity to conduct ongoing research into tourism and related trends is prioritised for 2018/19.

3.2.4 Changes to planned targets

No changes to planned APP targets were effected during the period under review. Adjustments to operational plan targets were made to accommodate changes in delivery methodologies for corporate communications. These were effected from the beginning of Quarter 2.

3.2.5 Linking performance with budgets

R'000	Expenditure 2016/17	Original Budget 2017/18	Adjusted Budget 2017/18	Expenditure 2017/18	(Over) / Under Expenditure
MARKETING					
Goods and Services	11 297	12 264	12 547	12 046	501
Compensation of Employees	9 685	9 976	9 976	10 907	(931)
Capital Expenditure	589	299	239	24	215
Total	21 571	22 539	22 762	22 977	(215)





3.3 Programme 3: Corporate Management Support

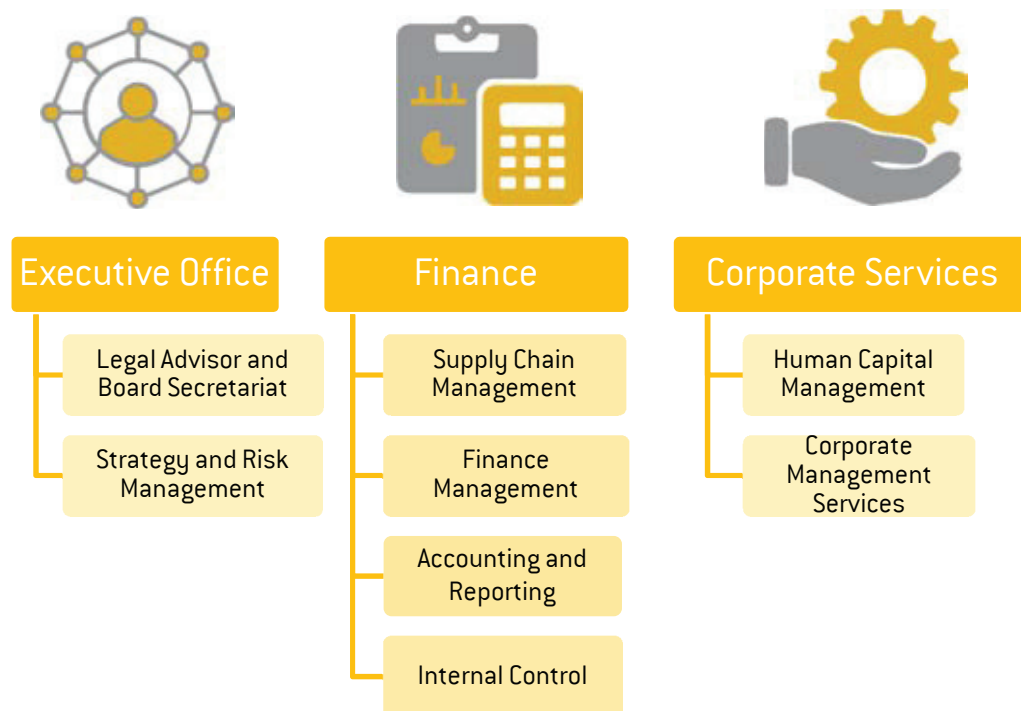
3.3.1 Description of programme

3.3.1.1 Purpose

Corporate Management Support is responsible for ensuring that all non-core functions of the organisation are executed effectively and efficiently so as to facilitate the unfettered delivery of mandated services by the core programmes, Operations and Marketing. Corporate Management Support services are delivered in a manner that contributes to national outcomes and provincial priorities:

- National Outcome 5: Skilled and capable workforce to support an inclusive growth path
- National Outcome 12: An efficient, effective and development-orientated public service
- ECPG Priority 7: Strengthening the developmental state and good governance

3.3.1.2 Programme Structure: Corporate Management Support





3.3.1.3 Key functions of Corporate Management Support
Corporate Management Support consists of three departments, namely Executive Office, Finance, and Corporate Services.

3.3.1.4 Executive Office

The Executive Office ensures that effective planning and reporting systems are established and that external partnership networks are developed and managed to expand the revenue base for the ECPTA through effective partnership agreements.

As the administrative head of the ECPTA, the CEO is responsible for providing strategic leadership to executive management; corporate positioning of the Agency, risk management and corporate legal compliance. The Office of the CEO monitors compliance with legislation, strategic and performance management plans, performance reports and the enterprise wide risk profile.

The Office of the CEO facilitates the coordination between the Board of Directors, Shareholder, Executive Directors and Stakeholders. The Board of Directors serves as the Accounting Authority for the Eastern Cape Parks and Tourism Agency in terms of the Public Finance Management Act. The CEO is responsible for the formulation of policy as a member of the Board of Directors and accountable for the implementation of policy and strategy as the most senior executive manager in the organisation.

3.3.1.5 Finance

The Financial Management Department provides strategic and managerial input on financial and administrative

issues necessary to ensure the commercial effectiveness, financial viability and sound corporate governance of the Agency. It ensures the provision of systematic financial management systems and information to co-ordinate the organisation's budget and resource requirements. This includes ensuring compliance with regulatory provisions as well as taking appropriate steps to ensure that expenditure occurs within the approved budget. Systematic financial management systems entail the maintenance of a procurement system that is fair, equitable, transparent and cost-effective; and ensure that the Agency takes effective and appropriate steps to prevent unauthorised, irregular or fruitless and wasteful expenditure.

3.3.1.6 Corporate Services

Corporate Services consists of two sections: Human Capital Management and Corporate Management Services.

The Human Capital Management (HCM) section is responsible for ensuring the delivery of professional excellence in the disciplines of human capital management, training and development, organisational transformation, employee wellness, employee relations and occupational health and safety.

Corporate Management Services, through the Information Management and Communication Technology section, is responsible for the provision of appropriate communication technology across the organisation, for maintaining connectivity and for administering software. The Facilities section of this unit takes care of all head office facilities services.





3.3.2 Strategic objectives, performance indicators planned targets and actual achievements

3.3.2.1 Strategic Objective 4.1: Organisational Sustainability

To ensure the organisation's ability to meet its mandate by providing cross-cutting support services to the core departments

Organisational Sustainability is viewed as the culmination of business practices that create long-term shareholder value by optimally responding to both opportunities and risks deriving from economic, environmental and social developments.

While sustainable business practices are critical in an increasingly resource-constrained world, the systems and structures that support such practices must be constantly improving / maturing in order to retain organisational agility.

Performance Indicator	Actual Achievement 2016/17	Planned Target 2017/18	Actual Achievement 2017/18	Deviation from planned target to actual achievement for 2017/18	Comment on deviations
4.1 Organisational Sustainability Index	95.2 (score)	90 (score)	100 (score)	+ 10 (points)	The Index is a summation of weighted performance detailed below
4.1.1 Audit Outcome	Clean & 2 findings	3 (clean with a max of 2 findings)	1 (clean audit with 1 finding)	- 1 finding	Sustained effort in managing controls
4.1.2 Organisational Performance Score	3.1 (index score)	3.0 (index score)	3.3 (index score)	0.3 (index points)	Maturation of the internal performance environment
4.1.3 Financial Maturity Index	2.9 (index score)	2.7 (index score)	2.9 (index score)	0.2 (index points)	Sustained effort in managing controls
4.1.4 Policy compliance index	3.0 (index score)	2.7 (index score)	3.0 (index score)	0.3 (index points)	Sustained effort in managing controls
4.1.5 Corporate Capability Index	2.9 (index score)	2.7 (index score)	2.9 (index score)	0.2 (index points)	Sustained effort in managing enabling capabilities
4.1.6 Accountability Index	3.0 (index score)	2.7 (index score)	3.0 (index score)	0.3 (index points)	Sustained effort in adherence to statutory and contractual obligations
4.1.7 Carbon footprint	New Baseline (2 314 kg CO ₂ /month)	Baseline (calculated over full year)	Baseline (4 367 kg CO ₂ /month)	No deviation	N/A





Organisational Sustainability Index Dimension 1: Reputation	Weight	Planned	Actual	Index score
4.1.6: Accountability Index	84	2.7	3	3
4.1.7: Carbon footprint	16	Baseline	Baseline	3
Organisational Sustainability Index Dimension 1: Reputation	100	2.7		3.0

Organisational Sustainability Index Dimension 2: Performance	Weight	Planned	Actual	Index score
4.1.1: Audit Outcome	50	3	1	3
4.1.2: Organisational Performance Score	12.5	3	3.3	3
4.1.5: Corporate capability index	37.5	2.7	2.9	3
Organisational Sustainability Index Dimension 2: Performance	100	2.7		3.0

Organisational Sustainability Index Dimension 3: Financial	Weight	Planned	Actual	Index score
4.1.3: Financial Maturity Index	100	2.7	2.9	3
Organisational Sustainability Index Dimension 3: Financial	100	2.7		3.0

Organisational Sustainability Index Dimension 4: Compliance	Weight	Planned	Actual	Index score
4.1.4: Policy compliance index	100	2.7	3.0	3
OS Index Dimension 4: Compliance	100	2.7		3.0





Organisational Sustainability Index	Weight	Planned (score)	Planned (index score)	Actual (index score)	Weighted score	Index
Dimension 1: Reputation	30	90	2.7	3.0		30.0
Dimension 2: Performance	20	90	2.7	3.0		20.0
Dimension 3: Financial	30	90	2.7	3.0		30.0
Dimension 4: Compliance	20	90	2.7	3.0		20.0
Organisational Sustainability Index	100	90				100
Dimension 4: Compliance						

3.3.3 Strategy to overcome areas of under performance

There were no areas of under-performance. The programme will consolidate gains of the past year to increase the organisation's sustainability further.

3.3.4 Changes to planned targets

No changes to targets were effected during the period under review.

3.3.5 Linking performance with budgets

R'000	Expenditure 2016/17	Original Budget 2017/18	Adjusted Budget 2017/18	Expenditure 2017/18	(Over) / Under Expenditure
CORPORATE MANAGEMENT SUPPORT					
Goods and Services	36 688	34 659	34 879	33 428	1 451
Compensation of Employees	29 507	33 342	31 958	31 314	644
Capital Expenditure	975	910	989	958	31
Total	67 170	68 912	67 826	65 700	2 126





4 REVENUE COLLECTION

Sources of revenue	2017/2018 (R'000)			2016/2017 (R'000)		
	Estimate	Actual	(Over) / Under Collection	Estimate	Actual	(Over) / Under Collection
Accommodation revenue	5 814	5 987	(173)	4 234	5 426	(1 192)
Actuarial Gains	0	3 995	(3 995)	0	3 309	(3 309)
Donations Received	0	3 379	(3 379)	0	0	0
Finance Income	1 992	1 330	662	2 080	2 572	(492)
Non-exchange transactions	215 266	211 229	4 037	243 640	247 020	(3 380)
Other Income	1 360	841	519	1 716	1 802	(86)
Rendering of services	1 064	1 538	(474)	666	1 149	(483)
Rental Income	1 275	1 272	3	1 187	1 267	(80)
Wildlife Sales	12 844	12 842	2	13 100	14 670	(1 570)
Total	239 615	242 413	(2 798)	266 623	277 215	(10 592)





5 Capital Investment

5.1 Progress on the capital, investment and asset management plan

ECPTA completed fewer capital projects in 2017/18 than in previous years because of a diminished capital budget.

The Infrastructure Unit completed three capital projects begun during the 2016/17 financial year:

Project Name	Budget (R)	Expenditure (R)
Design and installation of solar power systems	3 100 000	3 019 120
Design and tender documentation for regional offices	700 000	497 040
Supply and delivery of additional reserve fencing	650 000	590 307
Total	4 450 000	4 106 467

3.1.1 Infrastructure projects undertaken in the current year

Three categories of project were initiated and completed during the 2017/18 financial year:

Project Category	Project Value (R)	Expenditure (R)
Reserve tourism infrastructure	717 722	717 722
Conservation infrastructure	1 971 846	1 963 938
Regional offices	350 000	344 850
Total	3 039 567	3 026 509

3.1.2 Infrastructure projects that are currently in progress

Project Name	Project Value (R)	Completion Date
Conservation infrastructure	1 583 078	30 June 2018
Regional offices	2 731 664	30 June 2018
Total	4 314 742	

3.1.3 Plans to close down or down-grade any current facilities

No plans to close down or down-grade any current facilities at present.





3.1.4 Progress made on the maintenance of infrastructure

Occupational Health and Safety Audits provided direction for repairs and maintenance on reserves.

3.1.5 General asset management

The Agency has accumulated assets to the value of R19.889m (internal purchases R16.51m and donations R3.379m) in the current financial year. Assets to the value of R0.36m were disposed of in the current financial year. To ensure effective disposal of assets, a Disposal Committee conducted disposal reviews on a quarterly basis. Two full asset verification processes were conducted at head office and five reserves.

The Fixed Asset Register (FAR) was reconciled to the General Ledger on a quarterly basis. The condition of the assets listed in the FAR is as follows:

Condition	Value (R)	Proportion
Excellent	90 941 023	24.7%
Very good	31 577 568	8.6%
Good	95 704 071	26.0%
Fair	117 712 569	31.9%
Poor	32 710 219	8.9%
Very poor	657 061	0.2%
	368 645 451	100%

