

Moses Kotane Institute
INNOVATION. THE FUTURE

ANNUAL PERFORMANCE PLAN

2019/20

**RESEARCH
INNOVATION
MARITIME**

**FOREWORD
MEMBER OF THE EXECUTIVE COUNCIL**



Moses Kotane Institute has, with its Research, Innovation and Maritime (RIM) mandate, has placed the Economic Development, Tourism and Environmental Affairs (EDTEA) and the province on the map as one of the leaders in the space of 4IR and innovation in general. We are gearing ourselves to meet the demands of this 4.0 era. All of our programmes reflect as such, towards achieving the priorities set out in the National Development Plan (NDP) 2030, which aims to find solutions and to eliminate poverty, unemployment and reduce inequality. The institute continues for conduct action research for business decision-making through collection and specialising in primary data. In addition, it continues with providing skills in the maritime sector and ICT, and enhance the lives of our people to become economically active. We do this through public-private partnerships that assist in fast-tracking implementation of services.

The outlook of the upcoming years will include more relevant action research which will assist in making informed decisions and policies, connectivity for the province, coordination of ICT skills through innovation labs, and continued facilitation of maritime skills. The Institute will be at the centre of these activities for provincial government. These projects are catalysts to economic development and job creation.

We will continue to ensure clean governance by adhering to relevant laws and King Code of Good Governance. I wish to thank the Board of Directors for providing support through playing an oversight role and delivering on the mandate. I also wish to thank management and the staff of MKI for implementing the strategy and maintaining good governance, including achieving clean audits, and long hours of work in ensuring that the Institute delivers on its mandate. We will continue to strive for a government that upholds the high professional standards, clean governance and delivering high quality services to our people.



Ms Nomusa Dube-Ncube, MPL
MEC for Economic Development, Tourism and Environmental Affairs

CHAIRPERSON'S MESSAGE



Dr Sakhile Ngcobo, Chairman

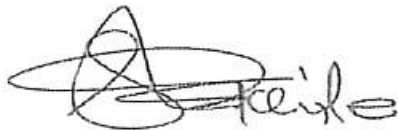
It is my pleasure to present the 2019/20 annual performance plan for the institute, which brings about the change and the excitement during the exciting phase of transition into a revised mandate. The Board of Directors and the entire Moses Kotane Family warmly welcomes our new MEC for Economic Development, Tourism and Environmental Affairs.

The provincial government reconfigured the entity into a research institute. The new MKI mandate is to conduct world class research into training, skills development, and provincial strategic economic sectors; and to strategically lead on innovation and maritime coordination to respond to the needs of provincial economy.

Implementation of the new mandate commenced during the latter part of the last financial year. This year, we will continue with this work and focus on conducting some of its research projects through collaborations with institutions and other key strategic partners on various sectors related to Information Communication Systems (ICT), maritime and ocean economy, manufacturing (with a specific focus on automotive, electronics, chemical, leather/footwear, clothing and textiles, renewable energy, agro-processing and food sub-sectors), artificial intelligence, agriculture, tourism, environment, rural economy and township economy fields.

The entity also incorporated the Sharks Board Maritime Centre of Excellence (MCOE) as a subsequent event to year end. The MCOE was then renamed as the Moses Kotane Institute Maritime Academy. This academy is strategically known for facilitating skills development in the maritime sector. The years following the new mandate will see Moses Kotane Institute on economic research products, and leading coordination on innovation and maritime in KwaZulu-Natal.

I would also like to thank the administration of EDTEA, the board of directors, executive and staff of the reconfigured MKI energy that they have put into bettering and growing the institute. We look forward to maintaining clean governance, high ethical standards and adherence to MKI values of partnerships and collaboration, independence and objectivity, critical thought, economic and social justice and Ubuntu.



Dr Sakhile Ngcobo, Chairman
Moses Kotane Institute

STATEMENT CHIEF EXECUTIVE OFFICER



Ms Thandeka Ellenson, Acting CEO

The Moses Kotane Institute 2019/20 Performance Plan seeks to respond to the systemic economic challenges of South Africa, and in particular the province of Kwazulu-Natal. It is tasked with developing mechanisms to address structural challenges and contribute towards the economic development of the province. The new strategic objectives position the institute in the centre of knowledge creation and skills development within the Department. We strive to achieve the new vision of being an internationally-recognised quality research institution driving economic development and innovation in KwaZulu Natal by focusing mainly on specific sectors of the economy. The targeted sectors are maritime economy, manufacturing, tourism, agro-processing, aerotropolis and green economy. The institute would further focus on developing intervention programs that would respond to the skills demands of the 4th Industrial Revolution.

Our RASET and Operation Vula initiatives are geared towards facilitating meaningful participation of the several people into the mainstream economy. The institute's priority focus to ensure meaningful research and skills development initiatives to respond to the demands of the economy in various sectors. We have developed internal capacity and have partnered with tertiary institutions. Our research initiatives should further identify potential partnerships in the field of entrepreneurship, employment and skills development. Strategic partnerships that would leverage the potential benefit emanating from private and public sector to enhance entrepreneurial skills and employment opportunities are also being prioritised.

Our mandate will be delivered through four programmes. The first programme is administration, which will lead on the strategic implementation, governance and strong financial capabilities. Secondly is research programme which will ensure the number of research projects are conducted on annual basis as well as the establishment of data repository. This programme also incorporates skills development programme which will ensure that we partner with relevant stakeholders towards implementation of interventions that upgrade skills. The third programme focuses on innovation interventions and emerging technologies which will be acquired towards

skills development. The fourth programme focuses on maritime academy which focuses on enterprise development. The last programme is based

MKI continues to strive for clean governance and administrative excellence thus maintaining clean audits, building a strong financial division, team commitment and building a culture of work ethics. The organizational culture seeks to promote the organizational values thus focusing on service excellence, loyalty, promotion of creativity and innovation. We wish to extend our sincere word of appreciation for the unequivocal support the management receive from the Board and the MEC.

In summary, the road ahead is not without its obstacles but through the continued commitment and investment o all stakeholders the road ahead is a bright one indeed.



Ms Thandeka Ellenson
Acting Chief Executive Officer

OFFICIAL SIGN- OFF

It is hereby certified that this Annual Performance Plan was developed by management of The Moses Kotane Institute with the guidance of the Board of Directors and the Department of Economic Development, Tourism, and Environmental Affairs; was prepared in line with the revised mandate and revised strategic plan of the Institute; and accurately reflects the performance targets which the Moses Kotane Institute will endeavour to achieve given the resources made available in the budget for the 2019/20 financial year.

Mr. Riaz Sheik
Acting Chief Financial Officer

Moses Kotane Institute

Signature: 

Ms Thandeka Ellenson
Acting Chief Executive Officer

Moses Kotane Institute

Signature: 

Approved by:

Dr Sakhile Ngcobo
Board Chairperson

Moses Kotane Institute

Signature: 

Ms Nomusa Dube Ncube, MPL
MEC: Economic Development,
Tourism and Environmental Affairs

Signature: _____

TABLE OF CONTENTS

PART A: STRATEGIC OVERVIEW AND SITUATIONAL ANALYSIS	9
1. UPDATED SITUATIONAL ANALYSIS.....	9
2. OVERVIEW OF 2019/20 BUDGET AND MTEF ESTIMATES.....	25
PART B: PROGRAMMES AND SUB PROGRAMMES	28
3. PROGRAMME 1: CORPORATE ADMINISTRATION	29
4. PROGRAMME 2: RESEARCH AND DEVELOPMENT	35
5. PROGRAMME 3: INNOVATION AND TECHNOLOGY.....	37
6. PROGRAMME 4: MARITIME ACADEMY	40
7. TOTAL BUDGET FOR 2019/20	42
PART C: MKI MANDATE	42
PART D: REVISIONS TO THE STRATEGIC PLAN	42
8. NEW STRATEGIC PLAN.....	42
9. ANNEXURE 1; TECHNICAL INDICATOR DESCRIPTION.....	48

List of Tables

Table 1: Alignment of MKI strategy with KZN PGDS	8
Table 2: Unemployment in South Africa and KZN 20092019	14
Table 3: alignment of MKI strategy with MTST outcomes	23
Table 4: Expenditure Estimates	26
Table 5: Economic Classifications	26
Table 6: Risk Management	27
Table 7: MKI Programmes and Sub-Programmes	27
Table 8: Total Budget and MTEF Estimates	43

PART A: STRATEGIC OVERVIEW AND SITUATIONAL ANALYSIS

1 UPDATED SITUATIONAL ANALYSIS

1.1 Overview of Moses Kotane Institute (MKI)

In 2019-20, the Institute shifted its focus as part of its revised mandate. It revised its vision to align with the new mandate of research into diverse training and skills as well as oceans economy required to respond to the needs of the provincial economy, and to coordinate interaction between line functions or sector departments established or envisaged provincial government training institutions, tertiary institutions, and other external service providers.

1.2 Vision

An internationally-recognised quality research institution driving economic development and innovation in KwaZulu-Natal.

1.3 Mission

To provide timely and accurate economic research to the Provincial government to support the attainment of radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal.

1.4 Mandate

To conduct world class research into training, skills development, provincial strategic economic factors and to strategically lead on innovation and maritime co-ordination and implementation activities to respond to the needs of the provincial economy.

1.5 Values

The Moses Kotane Institute subscribes to the following values: -

- Ubuntu
- Partnership and collaboration
- Independence to ensure objectivity
- Economic and social justice

1.6 Alignment with Provincial Growth and Development Plan

The strategic priorities of the KwaZulu-Natal Provincial Government are set out in the Provincial Growth and Development Strategy, which is aligned with the National Development Plan and the Medium-Term Strategic Framework (2014-2019). This MKI Strategic Plan is aligned with the following:

- PGDS Strategic Goal 1 on Inclusive Growth/RET and developing the knowledge economy
- PGDS Strategic Goal 2 on Human Resource Development and specifically related to skills development aligned to the economy.

This alignment is outlined below.

Table 1: Alignment of MKI Strategy with KZN PGDS

	PGDS Strategic Goals	Relevant PGDS Strategic Objectives	Relevant MKI Strategic Goals
1	Inclusive Economic Growth	1.6. Enhance the knowledge economy	Strategic Goal 2: Knowledge economy enhanced through relevant research.
2	Human resource development	2.2 Support skills alignment to economic growth	Strategic Goal 3: Skills development facilitates economic growth.
5	Environmental Sustainability	5.2 Expand the application of green technologies 5.3 Adapt and respond to climate change	Strategic Goal 2: Knowledge economy enhanced through relevant research.
6	Governance and policy	6.2 Build government capacity 6.3 Eradicate fraud and corruption 6.4 Promote participative, facilitative and accountable governance	Strategic Goal 1: Efficient and effective administration and governance.

1.7 Strategic Outcome Oriented Goals

The Board's strategic outcome-oriented goals are as follows:

1. Efficient and effective administration and governance ensured
2. Knowledge economy enhanced through relevant research
3. Skills development facilitates economic growth
4. Strategic integration of emerging technologies drives industrial development
5. Promoting development of the Oceans Economy and job creation

1.8 Performance Delivery Environment

The following section will discuss the socio-economic factors and issues that impact on MKI's ability to deliver on its mandate. A brief overview of the state of the global and domestic economy, the demand for scarce and critical skills was considered in addition to the specific issues in the disarticulation between education and training and the broader economy.

1.9 Summary Global Economic Trends and Outlook

Summary Global Economic Trends and Outlook The global economic growth rate for years 2018 and 2019 was projected at 3.7 percent and 3.5 percent respectively, which was 0.2 percentage point slower than that was projected in October forecasts (IMF, 2019)¹. There were noticeable changes in the investment, trade, and industrial production sector as well as gains in the business sector. The growth for advanced economies' (Germany, Japan, Korea and the United States) in the 3rd quarter of 2018 was higher than previously projected. The developing economies (South Africa, Brazil and China) also posted 3rd quarter growth stronger than the previous forecasts.

Global growth forecasts for 2019 have been revised downward by 0.2 percentage point from 3.7 percent to 3.5 percent, before picking up slightly to 3.6 percent in 2020 (0.2 percentage point and 0.1 percentage point lower, respectively, than in the previous

¹ International Monetary Fund., 2018. World Economic Outlook: An update of the key WEO projections, IMF, Washington DC.

projections). This fall is caused by signs of slowdown in the second half of 2018. There is an indication of a constant decline in growth rate for advanced economies more than trend levels that is quicker than expected. There will be an accompanying short-term decrease in the growth rate for emerging markets and developing economies in 2019, which shows a contraction in Argentina and Turkey, also actions on China and other Asian economies (Argentina World Economic Outlook, 2019).

The US tax policy shifts will boost activity with a short-term impact in the US that is mostly driven by the investment response to the corporate income tax cuts. The impact on US economic growth is projected to be positive until 2020, cumulating to 1.2 percent in that year, with a range of uncertainty around this central scenario. However, economic recovery is not complete because inflation remains a problem that weakens the economy in sub-Saharan Africa (SSA), the Middle East and Latin America.

Specifically, growth in advanced economies is projected to slow from an estimated 2.3 percent in 2018 to 2.0 percent in 2019 and 1.7 percent in 2020. This estimated growth rate for 2018 and the projection for 2019 are 0.1 percentage point lower than in the October 2018 WEO, mostly due to downward revisions for the euro area.

Increased global growth after several years of economic stagnation calls for critical reforms to guard against downside risks, encourage potential growth and, in turn, change the populations' standard of living. As the IMF (2017) states that, "structural reforms and growth-friendly fiscal policy measures are needed to boost productivity and labour supply, with varying priorities across countries. In advanced economies, monetary policy should remain accommodative until there are firm signs of inflation returning to targets."² Fiscal policy should be in line with structural reform efforts to take advantage of favourable cyclical conditions, place debt on a sustainable path and meet demand needs.

In 2019, global growth is expected to slow down to 2.6 percent, reflecting a weaker-than-estimated trade and investment at the beginning of the year. The growth is expected to gradually increase to 2.8 percent by 2021. This growth was predicted based on continuous

² International Monetary Fund., 2017. World Economic Outlook: Seeking Sustainable Growth-Short Term Recovery, Long Term Challenges, Global Prospects and Policies, p1

steady global financing conditions and modest recovery in emerging markets and developing economies. Growth of EMDE is estimated to recover from 4 percent in the past four-year low to in 2019 to 4.6 percent in 202-2021. Growth in advanced economies is projected to drop from projected 2.3 percent in 2018 to 2.0 percent in 2019 and 1.7 percent in 2020. The projections for 2019 are 0.1 percentage point less than the estimations made in the second half of 2018.

Globally, growth will be increasingly driven by technological advancements in production and consumption. The advent of digital technologies that had transversal impacts on all industries coupled with a faster pace of innovation has been at the heart of the debates in the World Economic Forum. Known as the 4th Industrial Revolution, whether it will be advances in nanotechnology, bio-technology, robotics, artificial intelligence or clean energy amongst others. The world as we knew it will change more rapidly in the future. In this context, there is a premium attached to invention and innovation that will act to transform future patterns of production and consumption and similarly transform the nature of work.

1.9.1 National and Regional Economic Growth and Unemployment Trends

South Africa (SA) still faces the triple challenge of unemployment, poverty and inequality in 2018. Statistics SA (2019: 1) reports that the South African working-age population increased by 149 000 in the fourth Quarter of 2018 compared to 149 000 the third quarter of 2018. The number of employed persons increased by 149 000 and the number of unemployed persons decreased by 70 000 in Q4: 2018, which shows a 0.4 percentage point decline in unemployment in the fourth quarter 2018 compared to third quarter. The absorption rate increased to 43.3 percent in the same period. Former Finance Minister, Malus Gigabar (2018:7), reported, in the annual budget speech, that “SA was characterised by slow economic growth, recession, ratings downgrades and heightened concerns regarding the governance and sustainability of key state-owned companies.” In Q4: 2018, the economy slipped into a recession, shrinking by 0.7 percent quarter-on-quarter (Statistics SA, 2019). The 0.7 percent downturn in Q4:2018 was due to a decline in activity in the agriculture, transport, trade, government and manufacturing industries. The decline in activity came after a revised 2.9 percent contraction in Q1:2019. Albeit, these statistics indicate economic decline, Gross Domestic Product (GDP) fell from 0.9 percent

in the first quarter 2019, compared to the previous quarter. Economic experts projected a 2.0 percent increase in 2019, and a 1.9 percent increase in 2020, which was lower than Malus Gigaba's projection in February 2018. He projected that growth would increase by 1.5 percent in 2018, to 2.1 percent in 2020. Both projections indicate that the SA economy grows at a low rate.

The slow or stagnant economic growth negatively affects South Africans. For example, the unemployed increased by 0.7 percent percentage point in Q4: 2018 to 37.0 %.. Employment gains of 65 000 were recorded in private households, formal sector at 65 000, informal sector at 93 000 and agriculture was at 7000 recorded employment losses between Q4:2018 and Q1:2019. The number of discouraged work seekers increased by 108 000, and the number of not economically active persons decreased by 38 000, which led to an increase of 70 000 in the persons not in the labour force between Q3 and Q4: 2018. Employment increased by 1.2 percentage point, unemployment increased by 0.4 percentage point, and the number of persons not economically active were 3.5 percent in 2018 compared to 2017.³

A similar pattern of low economic growth is evident in KwaZulu Natal (KZN). Stats' (2018) reports that the official unemployment rate declined by 0.5 of a percentage point. However, the largest declines were recorded in KZN, which scored 2.2 percent followed by Northern Cape at 1.6 percent and Limpopo at 1.5 percent. Unemployment in KZN has remained persistently high since 2011 and has been range bound between 19-21 percent (official unemployment), and between 36.6-40.9 percent (expanded unemployment) as the table below illustrates. At the national level, unemployment ranges between 23.9-27.2 percent (official unemployment), and 35.4-37.2 percent (expanded unemployment).

1.9.2 Inequality

For both South Africa and KZN inequality as measured by the Gini-co-efficient (measured at 0.56) has not changed much (Creamer, 2018). It is common cause that the wealth, ownership and control of the economy is highly concentrated with 95 percent of wealth in the hands of 10 percent of the population.⁴ Income and wealth distribution also has a

³ StatsSA 2018., Quarterly Labour Force Survey, Quarter 2.

⁴ Budget Speech 2017 Minister of Finance

racial face in terms of the disproportionate concentration of the same in white hands. Black people in general and Africans in particular remain relatively income and wealth poor. Income growth and distribution remain uneven, a situation that must change if the economy is to grow on a sustainable and inclusive basis.

1.9.3 Employment and Unemployment

It is common cause that South Africa and KZN has experienced persistently high unemployment since 1994. Using Stats SA data, the South African Institute of Race Relations (SAIRR) 2017 South Africa Survey found that less than half of those of working age are employed. Using the expanded definition of unemployment, the study found that unemployment (in absolute numbers) increased from 9.3 million in 2017 to 6.1 million as at the end of the fourth quarter in 2019⁵. Indeed, using the strict official definition, unemployment increased from just over 27.1 percent in 2017 to its current levels of over 26% in 2019. The unemployment rate usually rises in the first quarter of the year, as temporary staff hired to work over the busy festive season is dismissed. However, a year earlier, the jobless rate was lower at 26.7 percent. Unemployment Rate in South Africa averaged 25.66 percent from 2000 until 2019, reaching an all-time high of 31.20 percent in the first quarter of 2003 and a record low of 21.50 percent in the fourth quarter of 2008. There were few significant gains in employment even in the higher economic growth years between 2003 and 2008, prior to the highly infectious global “sub-prime” financial crisis in the 2008-2009 period.

The outcomes mentioned below were a result of low levels of economic growth since 2011. The Quarterly Labour Force Survey compiled by StatsSA indicated that the expanded unemployment rate increased by 0.8 of a percentage points in Q1:2019, from 37 percent in the fourth quarter of 2018 to 38 percent in Q1:2019. Unemployment is predominant in black, youth females. Between Q2: 2018 and Q2: 2019, the percentage of young persons aged 15–24 years who were Not in Employment, Education or Training (NEET) increased by 0.5 percentage point in the 1st quarter of 2019. The NEET rate for

⁵ South African Institute of Race Relations August 2017, Press Release

males declined in three population groups with the exception of white males. Among females the NEET rate increased for Indian/Asian and white population groups.

Table 2: Unemployment in South Africa and KZN 2009-2019

Year	Official unemployment		Expanded unemployment	
	South Africa	KwaZulu Natal	South Africa	KwaZulu Natal
2019	26.6	23.0	36.3	37.7
2018	27.2	21.8	37.2	40.9
2017	26.7	24.1	36.3	41.0
2016	26.5	23.9	35.6	40.7
2015	24.5	20.5	33.8	36.8
2014	24.3	20.8	34.6	37.9
2013	24.1	19.9	34.0	36.2
2012	24.5	21.9	35.1	38.4
2011	23.9	19.3	35.4	36.6

Source: Compiled from STATSA Quarterly Labour Force Surveys 2009-2019 (1st Quarter only)

Compared to Q4:2018, the percentage of youth aged 15-34 years who were NEET increased by 0.5 percentage point, in Q1:2019. The NEET rate increased for black African males and white males, while coloured males, and Indian/Asian males decreased. Female NEET rates were higher than that of their male counterparts for all population groups. In Q2:2018 the highest NEET rate of over 40 percent was recorded among black females. Youth unemployment remains a strife issue in SA and KZN. Less than half of those who either graduate or do not graduate with matric end up NEET, which indicates a problem in the Higher Education Institutions (HEIs) and employment opportunities.

The youth unemployment rate cannot be tackled through one solution. The National Development Plan (NDP)⁶ asserts that economic growth exceeding 5 percent per annum is required if government and other stakeholders are to address the unemployment challenge. On the 22nd of June 2018, government issued its National List of Occupations in High Demand: 2018. The was published in line with the global consensus that if the provision of Education and Training (E&T) is to be better coordinated with the needs of society and the economy, central information about skills is required.⁷ The information will help development initiatives, such as the National Development Plan (NDP), New Growth

⁶ <https://www.gov.za/issues/national-development-plan-2030>

⁷ Government Gazette, 2018, *National List of Occupations in High Demand: 2018*, 22 June 2018, Vol 636 (41728)

Path and Industrial Policy Action Plan (IPAP) meet their development goals rapidly. The OHID is defined as occupations that show relatively strong employment growth over the past 5 years, and/or are experiencing shortages in the labour market, or which are new and expected to emerge in the near future as a result of innovation, technological advancements, the development of new industries, or the implementation of government strategic priorities. The National List of OHID: 2018, therefore, acts as a central information document that supports planning processes in the Post-School Education and Training (PSET) system. These processes include enrolment planning, decision making on the prioritisation of resource allocations, qualifications development, career information, advice, public and private employers, employer organizations, professional bodies, trade unions, and research organizations are encouraged to use the list to support the provisioning of their own E&T programmes.

The list differentiates occupations into three categories: highest demand, higher demand and high demand. The differentiation indicates that occupations in the highest group scored in the top group on the statistical index. The list of OHID can be found at www.gpwonline.co.za.

The Moses Kotane Institute (MKI) as a research institute, funds postgraduate students at Masters and Doctoral level that research maritime and ocean economy, manufacturing (with a specific focus on automotive, electronics, chemical, leather/footwear, clothing and textiles, renewable energy, agri-processing and food sub-sectors), Information and Communication Technology (ICT), artificial intelligence, agriculture, tourism, environment, rural economy and township economy fields. The idea is to produce enough researchers in preparation for the Fourth Industrial Revolution (4IR). As the globe moves towards intense Artificial Intelligence or Internet of Things, academia will become the vanguard of the 4IR. Researchers will contribute towards key technologies, including artificial intelligence, robotics, biotechnology and the cyber domain. This includes both the basic research for conceptualizing new technology, and the applied science to bring new products to market. MKI must also map out the impact of the 4IR on the people, economics and politics. Research institutes, government and academia have a role in understanding the potential impact of today's large-scale changes. This knowledge will not only help students choose their career paths, but also help them be absorbed in the labour market more rapidly than they would without the knowledge of changes.

1.9.4 Critical and Scarce skills and Occupations in South Africa

The government gazette (Vol 588) published in June 2014 by the Department of Home Affairs (DHA) identified scarce and critical skills and occupations in South Africa in relation to critical skill visa requirements or permanent resident permit. In February 2017, via a media release, The Department of Higher Education (DHET) also published a list of 15 trades in demand, identified in a tracer study conducted in partnership with the Swiss-South African co-operation initiative. Agriculture, Agricultural Operations and Related Sciences (incl. agricultural engineers, scientists and forestry technicians)

- Built Environment Sciences (incl. planners, architects, project managers land and quantity surveyors)
- Business, Economics and Management Studies (incl. actuaries, auditors, investment advisors, corporate managers)
- Information Communication and Technology (incl. system engineers, enterprise architects, network specialists, network controllers amongst others)
- Engineering (incl. chemical, civil, electrical, electronics, industrial, materials, mining, metallurgical amongst others)
- Health Professions and Related Clinical Sciences (incl. pharmacists, nursing, veterinarian, general and specialist medical practitioners amongst others)
- Life and Earth Sciences (incl. environmental, aquatic, animal, archaeological, botanical, ecological, geological amongst others)
- Trades (incl. mechanic, rigger, boiler maker, pipe fitter, moulder amongst others)
- business process outsourcing (incl. software engineering, systems architects, foreign language speakers, business analysts amongst others)
- Academics and researchers (astronomy, physics, nanotechnology, space science, natural and applied sciences etc)

DHET's media release identifies well over 300 occupations that are in high demand in South Africa as does the list from the DHA. This also illustrates that the demand for labour is clearly in the high order skills categories, in growth industries and activities where invention and innovation are central to competitiveness.

1.9.5 Education and Training System Challenges

The effective participation of youth, students, graduates currently in the education system is critical for radical economic transformation of the province and that of a country. MKI views access to and the development of knowledge and skills in Research Innovation Maritime (RIM) as strategic in increasing the pool of skills and talent to support economic transformation and the developmental state agenda, and in enhancing formal and self-employment opportunities which often require strong competency in RIM fields.

The national restructuring process in 2009 that resulted in the two departments of Basic Education (DBE) and Higher Education and Training (DHET) was intended to integrate learning outcomes at the post school level. In this DHET assumed responsibility for higher education institutions including universities, technical vocational education training colleges, adult education centres in a drive to articulate more effectively with the marketplace to manufacture the skills required to enable higher levels of competitiveness.

1.9.6 Post School Education and Training

“If South Africa is to meet the required skills and qualifications needed to meet the current and future needs of the economy, government not only needs to focus on access to post-secondary education and training but also adjust the education system so that it increases its intake in the relevant fields of study. These include the fields of engineering, physical and health sciences” (Dr Pali Lehohla, Education Series Volume 111: Educational Enrolment and Achievement, 2016/Statistics South Africa, Report 92-01-03)

There are over 2396 Post School Education and Training (PSET) institutions in South Africa comprised of:

- 145 Higher Education Institutions (HEI's) of which 26 are public and 119 are private;
- 341 colleges of which 50 are public technical vocational education and training (TVET's) and 291 are private colleges and;

- 1883 Adult Education and Training Centres (AET) of which 1828 are public and 55 are private.

In 2014, the PSET's enrolments were over 2.1million with over half the students in HEI's, just more than a third at TVET's/private colleges and just more than a tenth at AET Centres. Enrolments at HEI's had increased significantly from 983 703 in 2010 to 1 111 712 in 2014 as was the case with TVET's where the increase was from 405 275 in 2010 to 781 378⁸. In both cases, the majority of the students were enrolled in publicly funded HEI's and TVET's over the period, wherein blacks in general and Africans in particular have experienced increased access. It can be safely asserted therefore that access to post- secondary education and training has been expanded greatly.

At TVET's, the majority of enrolments have been from the African population group in 2014. In 2014, the majority of students that were enrolled in public TVET's were in the 20-24 age cohort followed by the 25-29 age cohort – although it was noted by DHET (2016) that enrolment of students declines after 25years of age. In comparing those who wrote and completed National Certificate (Vocational) (NCV) Level 4 and Report 191 N3 (i.e. Engineering Studies), a declining actual completion rate was noted between 2011 (42.8%) to 2014 (34.5%). In 2014, completion rates for NC(V) level 2/3/4 were significantly lower than completion rates for Report 190/1 N1/N2/N3 (Engineering Studies). In 2016, engineering and management accounted for almost a third of qualifications whilst agriculture had the lowest number of graduates⁹. Although the throughput of learners through TVET's are significant, it is of concern that the quality of skills produced may not be aligned to the standards expected in terms of labour market demands.

The White Paper on Post School Education released in 2014¹⁰ and produced by DHET intimates that the poor quality of education at TVETs amongst other institutions remains a key concern in the context of persistently high levels of unemployment particularly amongst the youth NEET. It asserts that expanded access to post school education without the corresponding improvement in the quality may be futile as the outcomes of fuller

⁸ Statistics on Post-School Education and Training: 2014, DHET March 2016 pg5 and pg. 25

⁹ Ibid.

¹⁰ DHET, 2013 White Paper on Post School Education and Training

employment, greater equality and inclusiveness will not be realised. As argued by Motala and Pampallis (2007), educational policy reform cannot on its own produce the transformation (racial, equality and/or gender) sought and should be combined with broader measures for social and economic re-distribution¹¹. Furthermore, post school education and training should not only be seen in the context of labour market demand from firms in the marketplace but also in relation to new socially and economically useful activities that add value to society. In the context of the promise offered by the 4th Industrial Revolution, the latter focus may yield greater results in a self-sustaining social and economic transformation process.

1.9.6.1 Moses Kotane Institute focus areas

In 2019-20, under the directive of the provincial government, MKI will increasingly shift its focus to labour market research while maintaining its activities. The Institute will focus on the following functions:

- Research and Development
- Innovation and Technology
- Maritime

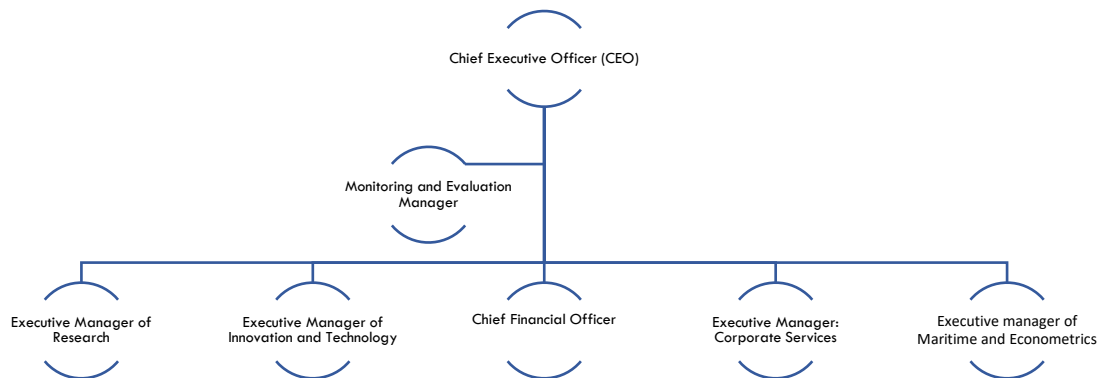
The research focus will include studies that focus on key value chains to support EDTEA's pillars and the provinces strategic sector choices. In conducting this research, MKI will begin by developing its own internal research capacity as well as partnerships with tertiary institutions and private sector bodies with a common interest and specialist expertise.

1.9.6.2 Organisational Environment

The organisational structure of MKI was reviewed and a new organisational structure approved by the Board in December 2015 in terms of the 2014-2019 strategic plan, as revised. The total establishment as per the approved organogram is..... Following the revised mandate, it is envisaged that the Institute undertake job evaluation and restructure itself to align with research mandate.

¹¹ Motala and Pampallis in Post School Education and Training Journal, Vol 1 Issue 1 July 2014.

1.9.6.3 High Level Organisational Structure



The MKI had thus become dependent on the outsourcing of some of its core functions. Services that are currently outsourced include: information technology, project management, internal audit, board secretariat, aspects of financial management and the delivery of training related content. The reliance on external consultants and contractors has induced several existing and potential organisational risks including reputational damage, fraud and corruption and inability of developing MKI's organisation capability. Effectively a large part of MKI's financial resources and stakeholder management at a project level have been outsourced. Once confirmed, MKI's revised mandate will entail a change to its organisational structure with the anticipated development of the Research and Development Unit.

1.9.6.4 Legislative Mandate

The Moses Kotane Institute as an NPO established by EDTEA is subject to the following legislation:

- Employment Equity Act no 55 of 1998
- National Skills Development Act
- National Education Policy Act (No.27 of 1996)
- Further Education and Training Act (No. 98 of 1998)
- Preferential procurement Policy Framework Act No 5 of 2000

- Promotion of Access to Information Act No 2 of 2000
- Skills Development Act of 1998
- South African Qualification Authority Act (Act 58) of 1995
- Public Finance Management Act (No.1 of 1999)
- The Annual Division of Revenue Acts
- Treasury Regulations

1.9.6.5 Policy Mandate

The Institute is also subject to the policies contained in the following documents:

- National Development Plan (NDP)
- National Skills Development Strategy (NSDS III)
- Provincial Growth and Development Strategy (PGDS)
- Provincial Growth and Development Plan (PGDP)
- Quality for Trades and Occupations (QCTO)
- TETA Scarce and Critical Skills Sector Plan
- Government Job Creation Strategy
- Industrial Policy Action Plan (IPAP III)
- South African Standards of Generally Recognised Accounting Practice (GRAP)
- King III Report on Corporate Governance
- Integrated National B-BBEE Strategy
- Provincial B-BBEE Strategy

1.9.6.6 Alignment: Medium Term Strategic Framework

The current MTSF (2019-20) is structured into 14 priority outcomes which cover the focus areas identified in the NDP chapters and Government's electoral mandate. These Outcomes constitute the policy imperatives of the Government, according to which all government initiatives must be aligned. The MKI's Strategic Plan contributes to achieving Outcomes 4, 5 and 12.

- Outcome 4: Decent employment through inclusive economic growth.
- Outcome 5: A skilled and capable workforce to support an inclusive growth path.
- Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.
-

The contribution of the MKI towards their achievement is outlined below.

Table 3: Alignment of MKI Strategy with MTSF Outcomes

MTSF Outcome	Sub-outcomes	MKI Strategic Goals
4. Decent employment through inclusive growth.	4: Workers' education and skills increasingly meet economic needs. 8. Economic opportunities for historically excluded and vulnerable groups are expanded and the growth and development in small business and cooperatives is improved markedly. 10. Investment in research, development and innovation supports inclusive growth by enhancing productivity of existing and emerging enterprises and supporting the development of new industries.	Strategic Goal 2: Knowledge economy enhanced through relevant research.
5: A skilled and capable workforce to support an inclusive growth path.	2: Increase access and success in programmes leading to intermediate and high-level learning. 3: Increase access to high level occupationally directed programmes in needed area. 4: Increase access to occupationally directed programmes in needed areas and thereby expand the availability of intermediate level skills with a special focus on artisan skills.	Strategic Goal 3: Skills development facilitates economic growth.
12. An efficient, effective and development-oriented public service	3: Efficient and effective management and operations systems. 4: Procurement systems that deliver value for money. 5: Increased responsiveness of public servants and accountability to citizens.	Strategic Goal 1: Efficient and effective administration and governance

2 OVERVIEW OF 2019/20 BUDGET AND MTEF ESTIMATES

Table 4: Expenditure Estimates

MKI BUDGET 2019/20 - 2022/23					
Expenditure		Main	Medium-term Expenditure Estimates		
		Appropriation	2020/21	2021/22	2022/23
Programmes and sub-programmes		2019/20			
Programme 1	Corporate Services	30 213	34 632	36 881	39 284
	Compensation	20 841	22 300	23 861	25 531
	Operations	8 472	11 332	11 920	12 540
	Capital expenditure	900	1 000	1 100	1 213
Programme 2	Research & Development	29 910	31 841	33 497	35 238
	Research & Development	13 199	11 676	12 283	12 922
	Bursaries	15 711	19 113	20 107	21 152
	Work Readiness Programme	1 000	1 052	1 107	1 164
Programme 3	Innovation & Technology	15 315	3 487	3 669	3 859
	Innovation	3 315	3 487	3 669	3 859
	Technology	12 000	-	-	-
Programme 4	Maritime	3 400	3 577	3 763	3 958
	Enterprise Development	1 400	1 473	1 549	1 630
	Boat Building	1 000	1 052	1 107	1 164
	Maritime Skills Development	1 000	1 052	1 107	1 164
	Sub-total	78 838	73 537	77 810	82 339
	Direct charges from EDTEA	76 038	70 591	74 712	79 079
	VAT refund	1 500	1 578	1 660	1 746
	Interest and other earnings	1 300	1 368	1 439	1 514
	Total	78 838	73 537	77 810	82 339

Table 5: Economic Classifications

Economic Classification	Main	Medium term expenditure estimates		
	Appropriation	2020/21	2021/22	2022/23
	2019/20			
Current payments	78 838	73 537	77 810	82 339
Compensation of employees	20 841	22 300	23 861	25 531
Goods and services	57 097	50 237	52 849	55 598
of which:				
Auditing expenses	635	668	702	740
Board expenses	383	403	424	446
Communication	217	228	240	253
Computer services	594	625	657	692
Consultants, contractors and special services	2 814	5 065	5 328	5 605
Marketing	371	390	410	432
Operating leases	846	890	936	985
Other operating expenses	840	883	929	978
Printing and photocopying expenses	84	88	93	97
Training	318	334	352	370
Travel and subsistence	91	96	101	106
Business Development	1 279	1 661	1 747	1 838
Programme expenses (Research, Skills Development)	48 625	38 905	40 928	43 056
Payment for capital assets	900	1 000	1 100	1 210
Total	78 838	73 537	77 810	82 339

Table 6: Risk Management

Risk No.	Strategic objectives	Risk Name	Risk Description	Root Cause	Consequences	Impact Score	Impact Rating	Likelihood Score	Likelihood Rating	Inherent Risk	Control Details	Control Effectiveness	Control Effectiveness Rating	Residual Risk	Desired Control Effectiveness	Desired Control Effectiveness Rating	Residual Risk	Gap	Task Details	Due date	Action Owner	Update
1	1.1. Knowledge economy enhanced Research - To conduct relevant research and make recommendations on policy and interventions	Ability to acquire relevant research skills in the market	Include 4IR, emerging technologies.	Lack of talent in the market	Reputational damage No research conducted	100	Critical	60%	Moderate	60	Recruitment and selection policy Job descriptions Use of HR Verification agency (for verification of qualifications, references etc) Industrial policy action plan National Development Plan Provincial growth and development plan Strategic plan of EDTEA	45%	Satisfactory	33	90%	Very Good	6	27	1. Recruitment and selection policy to be reviewed 2. Job descriptions to be reviewed 3. Job evaluations have been reviewed. 4. Financial constraints	1. 31 March 2020 2. 31 March 2020 3. 31 March 2020 4. 30 June 2020	1 - 4. CEO	1. Recruitment policy has been updated. 2. Job descriptions have been reviewed. 3. Job evaluations have been reviewed. 4. Financial constraints
2	1.1. Knowledge economy enhanced Research - To conduct relevant research and make recommendations on policy and interventions	Hiring inappropriately skilled individuals for research		Standard recruitment practices Limiting policies Interference in the recruitment process	Poor quality research that is not responsive to economic needs. Incorrect recommendations to policy may be made Inappropriate interventions Reputational damage Liability	100	Critical	60%	Moderate	60	Recruitment and selection policy Job descriptions Use of HR Verification agency (for verification of qualifications, references etc)	40%	Satisfactory	36	90%	Very Good	6	30	1. Recruitment and selection policy to be reviewed 2. Job descriptions to be reviewed	1. 31 March 2020 2. 31 March 2020	1-2. CEO	As above
3	1.2. Knowledge economy enhanced Research - To establish and maintain a data repository of relevant research	Data does not respond to the needs of the department	Current status of data	Type of data collected Format of data collected Intellectual property rights of data Inadequate data quality Resources (funding, time, staff) Infrastructure Hard copy data	Uninformed EDTEA planning Ill-informed resource allocations	60	Major	80%	Likely	48	Industrial policy action plan National Development Plan Provincial growth and development plan Strategic plan of EDTEA Funding to purchase required data Funding to outsource data collection Formal consultation platforms (Hd)CEO forums, etc)	60%	Good	15,2	80%	Very Good	9,6	9,6	1. Completion of the needs analysis	1. 31 March 2019	1. HD Research	Needs analysis has yet to be completed. Only met with organisations to determine their needs for the Knowledge Repository.
4	1.3. Knowledge economy enhanced Research - To advise on the effective integration of ICT into government systems	Limited access to government ICT systems		RFPA Act Resources to conduct research Resistance to change by users Disparity in government systems	Incorrect advice provided Loss of productivity Economic loss Poor customer service	60	Major	80%	Likely	48	No current controls identified	0%	Unsatisfactory	48	40%	Satisfactory	26,4	21,6	1. To obtain approvals from the relevant authorities at the various departments and entities	1. 31 March 2020	1. HD Research	Not yet commenced
5	2.1. Skills development to facilitate economic growth - Skills Development - To develop a cohort of highly skilled youth through our bursary programmes	Poor administration and processing of the intake	Research, Innovation and Maritime programmes	Lack of funding Selection systems	Poor selection leading to high dropout rate	35	Moderate	80%	Likely	28	Bursary scheme guidelines and procedures Bursary committee Existing capacity or capacity sourced externally Student contracts Funding allocations	80%	Very Good	5,6	80%	Very Good	5,6	0	No additional tasks required	NA	N/A	
6	2.1. Skills development to facilitate economic growth - Skills Development - To develop a cohort of highly skilled youth through our bursary programmes	Bursary scheme offerings are not adequate for the needs of the students		Funding Not understanding complex individual circumstances Standardised systems with defined criteria	Target group aim not achieved Poor selection leading to high dropout rate	35	Moderate	80%	Likely	28	Bursary scheme guidelines and procedures Bursary committee Existing capacity or capacity sourced externally Student contracts Funding allocations	45%	Satisfactory	15,4	80%	Very Good	5,6	9,8	1. To engage with students on a case by case basis 2. To update the bursary scheme guidelines and procedures to understand individual circumstances	1. 31 March 2019 2. 31 October 2018	1-2. Head of Skills	1. Students engaged and bursaries adjusted accordingly provided supporting documents were submitted. 2. Student bursary contracts were amended.
7	2.3. Skills development to facilitate economic growth - Skills Development - To coordinate selected sector-based forums in order to support skills interventions that identify and address current and future needs	Recognition of MKI as a role player by the relevant industry players	Recognition of MKI by industry	MKI is a new player Lack of value proposition Employing a public sector approach when engaging with private sector Lack of cooperation by other public sector organisations	Lack of buy in from private sector Non delivery of right skills to the sector Hindrance of economic growth	100	Critical	100%	Certain	100	No current controls identified	0%	Unsatisfactory	100	90%	Very Good	10	9	1. To develop a strategic approach to sector-based skills development 2. To engage with Public and Private sector stakeholders	1. 30 June 2019 2. 30 September 2019	1-2. Head of Skills	1. We have conducted public and private sector stakeholder engagements to facilitate collaboration and sector based skills development.
8	3.1. Strategic integration of emerging technologies in driving industrial development in KZN - 4IR - To advise on the impact of 4IR on current and future economic growth paths within KZN	Lack of buy in from the stakeholders	Both public and private sector	Lack of suitable research to provide advice Lack of cooperation and resistance to change Uninformed research Lack of funding	Loss of opportunity in the marketplace Slower future economic growth Loss of competitiveness Loss of credibility and relevance as thought leader	60	Major	60%	Moderate	35	Recruitment and selection policy Job descriptions Use of HR Verification agency (for verification of qualifications, references etc) Industrial policy action plan National Development Plan Provincial growth and development plan Strategic plan of EDTEA Funding allocated	65%	Good	12,6	80%	Very Good	7,2	5,4	1. To engage with various stakeholders to obtain co-operation on research performed	1. 31 October 2019	1. Head of Research	We have hosted the 4IR Summit in March with great success. A detailed draft report will be tabled at the next board meeting. However, high level recommendations were presented at ESOC.
9	4.1. Efficient and effective administration and governance - Administration - To provide leadership and strategic direction to MKI that is compliant with the relevant legal prescripts and policies of MKI	Inappropriate/inadequate governance structures		Vague legislative provisions Timing of legislation Delays in passing regulations following legislation Delays in appointment of governance structures Shareholder interference Poor Board composition (competency)	Business operations are hampered Poor leadership and strategic direction	100	Critical	80%	Likely	80	PFM Treasury Regulations Company's Act King IV Report Shareholder's compact EDTEA Funding Board Board Charter Audit and Risk Committee Finance Committee HR Committee Education and Skills Development Committee Social and Ethics Committee Charters for each committee	85%	Very Good	12	90%	Very Good	8	4	1. Engagement with Shareholder on appointment of the Board	1. 31 March 2019	1. Chair of Board	Shareholder has been engaged by the Board Chairperson and the decision was to await the finalisation of the Rationalisation and Legislation process.
10	4.2. Efficient and effective administration and governance - Administration - To provide effective, efficient and transparent financial and SCM systems	Fraud, Theft, Corruption, and Bribery		Lack of fraud prevention plan Greedy and unethical behaviour Enforcement of consequence management Lack of decisive action (Shareholder, Board & Exec) Leadership paralysis	Financial Loss Reputational damage	100	Critical	80%	Likely	80	Fraud and Corruption policy Whistleblowing Code of conduct Disciplinary process Delegations of Authority SCM Policy Internal audit AG audit	85%	Very Good	12	90%	Very Good	8	4	1. Develop a consequence management framework and policy 2. Fraud risk register to be compiled	1. 31 March 2019 2. 31 December 2018	1. CFO 2. Legal	Not yet commenced
11	4.2. Efficient and effective administration and governance - Administration - To provide effective, efficient and transparent financial and SCM systems	Non-compliance to laws, regulations, policies and procedures		Vague legislative provisions Timing of legislation Delays in passing regulations following legislation	Fines and penalties Reputational damage	100	Critical	60%	Moderate	60	Compliance registers Quarterly checklist per legislation completed Reports of deviations to governance structures Policies and contracts in line regulations Legal Advisor	90%	Very Good	6	90%	Very Good	6	0	No additional tasks required	NA	N/A	
12	4.3. Efficient and effective administration and governance - Administration - To provide effective human resource information technology, legal and administrative services	Inadequate stakeholder management		Poor communication channels & skills (conflicting information) Inadequate staff numbers	Breakdown of trust	80	Critical	60%	Moderate	48	Communication Strategy Newsletters Website Career exhibitions Induction processes Quarterly meetings with the Department One-on-one meetings with stakeholders (Universities, TVETs)	60%	Good	19,2	90%	Very Good	4,8	14,4	1. Develop a Stakeholder Management Plan 2. Revise the Communication Strategy	1. 31 March 2019 2. 30 June 2019	1-2. Marketing and Communications Specialist	Not yet commenced

2.1. Reconciling Expenditure to Strategic Outcomes (R'000)

PROGRAMMES		GOAL STATEMENT	SUB-PROGRAMMES		BUDGET (R'000)
1	Corporate Administration	A well governed, efficient and sustainable entity.	1.1	Office of the CEO	30 213
			1.2	Finance	
			1.3	Corporate services	
2	Research and Development	Enhancing knowledge economy of KZN through conducting relevant research and making recommendations on policy and interventions.	2.1	Research & Development	29 910
			2.2	Work readiness support	
			2.3	Bursaries	
			2.4	Strategic based fora	
3	Innovation and Technology	Strategic integration of emerging technologies in driving industrial development in KZN	3.1	Innovation	15 315
			3.2	Technology	
4	Maritime Academy	Undertake-ordinate promote and assist in programmes of Maritime in order to contribute towards economic development and job creation.	4.1	Enterprise Development	3 400
			4.2	Boat building	
			4.3	Maritime Skills Development	
TOTAL BUDGET					78 838

PART B: PROGRAMMES AND SUB PROGRAMMES

To carry out its mandate efficiently, the Moses Kotane Institute operates a four-programme structure. The four programmes and associated sub-programmes are summarised below.

Table 7: MKI Programmes and Sub-programmes

PROGRAMMES		SUB-PROGRAMMES		STRATEGIC OBJECTIVE
1	Corporate Administration	1.1	Office of the CEO	To ensure efficient and effective administration and governance
		1.2	Finance	
		1.3	Corporate services	
2	Research and Development	2.1	Research & Development	To conduct relevant research and make recommendations on policy and interventions.
		2.2	Work Readiness support	To capacitate MKI interns in order to have employability skills.
		2.3	Bursaries	To provide financial support to students at Tertiary institutions
		2.4	Strategic based fora	To hold Strategic sector-based forum per year
3.	Innovation and technology	3.1	Innovation	To co-ordinate selected sector-based interventions that identify and address current and future needs
		3.2	Technology	To advise on the effective integration of ICT into government systems
4	Maritime Academy	4.1	Enterprise Development	To capacitate aspirant and emerging maritime enterprises to establish and grow sustainable businesses.
		4.2	Boat Building	To promote an appreciation of the ocean economy, maritime education and engagement with public, coastal communities and stakeholders.
		4.3	Maritime skills Development	To ensure that there is enrolment of learners on Maritime Skills Development Programme

STRATEGIC OBJECTIVES AND ANNUAL TARGETS FOR 2019 - 2020

3. PROGRAMME 1: CORPORATE ADMINISTRATION

The corporate administration programme provides support to other programmes in order to conduct world class research into training, skills development, provincial strategic economic factors and to strategically lead on innovation and maritime co-ordination and implementation activities to respond to the needs of the provincial economy. The support offered includes providing strategic direction, integration and co-ordination of activities, support on finance and supply chain activities, performance-based monitoring and evaluation, human resource management services, facilities management services, marketing, business development and communication services. It is a transversal programme aimed at improving and maintaining the effective and efficient functioning of the operational activities and ensuring good governance.

Sub-programme 1.1. – Office of the CEO: The Office of the CEO provides overall strategic direction, leadership and management for MKI. It ensures that there is alignment across the operational programmes, is responsible for the implementation of strategy, policy and directives of the Board and has direct oversight over legal services. This Office is responsible for the development of the Annual Performance Plans, Annual Reports and ensuring that the strategic and annual performance plan targets are achieved.

Sub-programme 1.2. – Finance: This sub-programme deals with finance, procurement and information technology of the Institute. This sub-programme provides support in contract management, entity performance monitoring, budgetary and financial reporting, and ensures that systems are running in support of all programmes. It is responsible for the development internal controls to enable effective and efficient financial, procurement and information technology management processes compliant with the policies of the MKI.

Sub-programme 1.3. – Corporate Services: This sub-programme comprises corporate image and publicity, human resources management and monitoring and evaluation. The

business development unit provides support to operations by promoting MKI and ensures visibility, establishing and maintaining effective communication within the Institute, shareholder and stakeholders. Corporate services also employs varied systems and strategies aimed at enhancing brand awareness and increased knowledge about the Institute's programme offerings. It also houses human resources administration and legal.

The following tables illustrate the strategic objectives, programme performance objectives, annual and quarterly targets to be pursued through the administration programme by sub-programme.

PROGRAMMES		SUB-PROGRAMMES		STRATEGIC OBJECTIVES
1	Corporate Administration	1.1	Office of the CEO	To provide leadership and strategic direction and by Monitoring and Evaluatng programmes of the Institute
		1.2	Finance	To provide effective, efficient and transparent financial management, with SCM practices that support radical economic transformation and information technology systems that support efficient service delivery.
		1.3	Corporate services	To provide effective human resources, administration, corporate image and legal services, and to increase the market presence of the Institute.

The following illustrates the strategic objectives, performance objectives, annual and quarterly targets to be pursued by the corporate services programme.

3.1. Sub - programme 1.1. - Office of the Chief Executive Officer

3.1.1. Strategic Objectives and Performance Indicators: Office of CEO

Strategic Objective	5-Year Strategic Plan Target	Audited/actual performance			Estimated performance	Medium Term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
To provide leadership and strategic direction to the MKI	Number of partnerships established per year	New	New	New	3	3	3	3
	5 Annual Performance Plans implemented	1	1	1	1	1	1	1
	5 Audited Annual Reports	1	1	1	1	1	1	1

3.1.2. Programme Performance Indicators and Annual Targets: Office of the CEO

Programme Performance Indicator	Means of verification	Audited performance			Estimated Performance	Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of Partnerships established per year	Validated Service Delivery Reports	New	New	new	3	3	3	3
1 Annual Performance Plan implemented	Annual Performance Plan	1	1	1	1	1	1	1
1 Audited Annual report	Audited Annual Report for 2019-20	1	1	1	1	1	1	1

3.1.3. Quarterly targets for 2019/20: Office of the CEO

Performance Indicator	Reporting period	Annual target 2019/20	Quarterly targets			
			Q1 Apr - Jun	Q2 Jul - Sep	Q3 Oct - Dec	Q4 Jan - Apr
Number of partnerships established per year	Annually	3	-	-	-	100%
1 Annual Performance Plan Implemented	Annually	1	-	-	-	1
1 Audited Annual Report	Annually	1	-	-	1	-

3.2. Sub-programme 1.2.: Finance

3.2.1 Strategic Objectives and Performance Indicators: Finance

Strategic objective	Strategic plan target	Audited/actual performance			Estimated performance	Medium Term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
To provide effective, efficient and transparent financial management, with SCM practices that support radical economic transformation and information technology systems that support efficient service delivery.	Clean audit	Un-qualified Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit
	95% payment of valid invoices within 30 days.	New	100%	100%	95%	95%	95%	95%
	70% procurement spend on BBBEE service providers	New	50%	72%	70%	70%	70%	70%

3.2.2 Programme Performance Indicators and Annual Targets: Finance

Programme Performance Indicator	Means of verification	Audited performance			Estimated Performance	Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Clean audit	Clean audit opinion	Un-qualified Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit
95% payment of valid invoices within 30 days.	Age Analysis Report	New	100%	100%	95%	95%	95%	95%

70% procurement spend on BBEE service providers	Procurement Report	New	50%	60%	70%	70%	70%	70%
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3.2.3 Quarterly targets for 2019/20: Finance

Performance Indicator	Reporting period	Annual target 2019/20	Quarterly targets			
			Q1 Apr - Jun	Q2 Jul - Sep	Q3 Oct - Dec	Q4 Jan - Apr
Clean audit opinion	Annually	Clean Audit		Clean audit		
95% of valid invoices paid within 30 days.	Annually	95%	-	-	-	95%
70% procurement spend on BBEE service providers	Annually	70%	-	-	-	70%

3.3. Sub-programme 1.3.: Corporate Services

3.3.1. Strategic Objectives and Performance Indicators: Corporate Services

Strategic objective	5- year Strategic plan target	Audited/actual performance			Estimated performance	Medium Term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
To provide effective human resources, administration, monitoring and evaluation services, and to increase the market presence of the Institute.	15 stakeholder events	3	4	4	3	3	3	3
	Number of MKI newsletters published	New	New	New	New	12	12	12

3.3.2. Programme Performance Indicators and Annual Targets: Corporate Services

Programme Performance Indicator	Means of verification	Audited performance			Estimated Performance	Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of stakeholder	Event Plan, Post event	3	4	4	3	3	3	3

events held annually	reports and/ feedback forms							
Number of Newsletters published	Published Newsletters	New	New	New	New	12	12	12

3.3.3. Quarterly targets for 2019/20: Corporate services

Performance Indicator	Reporting period	Annual target 2019/20	Quarterly targets			
			Q1 Apr - Jun	Q2 Jul - Sep	Q3 Oct - Dec	Q4 Jan - Apr
Number of stakeholder events held annually	Quarterly	3	-	1	1	1
Number of Publications per year	Quarterly	12	3	3	3	3

3.4. Key Activities for 2019 – 2020

With the revised MKI mandate and its vision to be an internationally-recognised quality research institution driving economic development and innovation in KwaZulu-Natal. The Institute's focus for 2019/20, is aimed:

- Hosting the innovation exhibition and innovation awards for provincial government
- Establishing a centralised data repository for research in the province
- Establishing new partnerships with public and private sector stakeholders, who are experts in strategic sectors of the province, and who are going to feed into the agenda of skills, research and innovation for economic development for the province.
- Strengthening governance and attain a clean audit opinion

4. PROGRAMME 2: RESEARCH AND DEVELOPMENT

The research programme provide support in an interdisciplinary and applied approach towards research development interventions for the province. The Board of MKI has embraced the proposed new mandate of the Institute and welcomes the opportunity to support the growth of a knowledge-based economy. There are limited platforms in KZN for strategic and critical reflection on the key issues for future economic growth, particularly on how develop and use knowledge to radically transform the existing economic structure. This could enable MKI to operate in a trans-disciplinary and inter-disciplinary manner at the nexus of science-economic-social research aimed at enabling the provincial government and civil society to better understand the opportunities presented, shaping their policy and investment choices, harnessing the economic and scientific opportunities for growth and development and managing the pitfalls related to potential negative consequences.

Research and development also focus on bursaries, skills training coordination sub-programmes. The bursary programme will focus on bursaries for postgraduate level and for its own scholars/undergraduates. In order to support skills interventions that identify and address current and future needs, MKI aims to coordinate selected sector-based training forums. Priority sectors such as maritime and agro-processing will be targeted. The following table illustrates the programme and sub-programme structure and its associated strategic goals and strategic objectives. There are four sub-programmes located under Research and Development programme which are: Research, Data Repository, Bursaries and Work readiness. The following table illustrates sub-programme structure and its associated strategic goals and strategic objectives.

PROGRAMMES		SUB-PROGRAMMES		STRATEGIC OBJECTIVE
2	Research and Development	2.1	Research	To conduct relevant research and make recommendations on policy and interventions
		2.2	Bursaries	To develop a cohort of highly skilled youth through our bursaries
		2.3	Work readiness	To develop a cohort of highly skilled youth through capacity building
		2.4	Four Strategic Sector based fora per year	To conduct relevant research and make recommendations on policy and interventions

4.1. Strategic Objectives and Performance Indicators: Research development

Strategic objective	5-year Strategic plan target	Audited/actual performance			Estimated performance		Medium Term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
To conduct relevant research and make recommendations on policy and interventions	To complete 40 Research projects	New	2	4	8	8	8	8	
	To develop a cohort of highly skilled youth through our bursaries	110	140	180	100	100	100	100	
	To develop a cohort of 500 highly skilled youth through Work Readiness Programme	New	New	New	2	2	2	2	
	To coordinate selected sector-based fora to support interventions that identify and address current and future needs	New	New	2	4	4	4	4	

4.1.1. Programme Performance Indicators and Annual Targets: Research and Development

Programme Performance Indicator	Means of verification	Audited performance			Estimated Performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Number of research projects completed per year	Research reports	New	2	4	8	8	8	8	
Number of students funded through MKI	Proof of registration	110	140	180	100	100	100	100	

Bursary Scheme per year								
Number of work readiness support workshops conducted	Attendance registers	New	New	2	2	2	2	2
Four Strategic based fora per year	Reports and attendance registers	New	New	New	4	4	4	4

4.1.2. Quarterly Targets for 2019/20: Research and Development

Performance Indicator	Reporting period	Annual target 2019/20	Quarterly targets			
			Q1 Apr - Jun	Q2 Jul - Sep	Q3 Oct - Dec	Q4 Jan – Apr
Number of research projects completed	Quarterly	8	2	2	2	2
Number of students funded through MKI Bursary Scheme per year	Annually	100	n/a	n/a	n/a	100
Number of work readiness support workshops conducted	Annually	2	n/a	n/a	n/a	2
Four Strategic based for a per year	Quarterly	4	1	1	1	1

5. PROGRAMME 3: INNOVATION AND TECHNOLOGY

The innovation programme provide support in an interdisciplinary and applied approach towards innovation interventions for the province. The Board of MKI supports concept of growth of a knowledge-based economy. There are limited platforms in KZN for strategic and critical reflection on the key issues for future economic growth, particularly on how develop and use knowledge to radically transform the existing economic structures. Innovation and Technology has 2 sub-programmes which are: Innovation and Technology. The following table illustrates the programme and sub-programme structure and its associated strategic goals and strategic objectives.

PROGRAMMES		SUB-PROGRAMMES		STRATEGIC OBJECTIVE
3	Innovation and Technology	3.1	Innovation	Enhancing the knowledge economy through innovation and technology
		3.2	Technology	To advise on the effective integration of the ICT into government systems

5.1. Strategic Objectives and Performance Indicators: Innovation and Technology sub-programmes

Strategic objective	5-year Strategic plan target	Audited/actual performance			Estimated performance		Medium Term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
To establish number of innovation labs per year	To establish 12 innovation labs	New	New	New	3	3	3	3	
To hold summits held per year	To hold 5 Innovation summits	New	New	New	1	1	1	1	
To co-ordinate ICT activities strategic report in an identified area	To co-ordinate 5 ICT workshops	New	New	New	1	1	1	1	
To develop a cohort of highly skilled youth through capacity building	Number of trainees on Innovation and Technology	New	New	New	100	100	100	100	

5.2. Programme Performance Indicators and Annual Targets: Innovation and Technology

Programme Performance Indicator	Means of verification	Audited performance			Estimated Performance		Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Number of innovation labs established per year	Innovation labs, programme and photos	New	New	New	3	3	3	3	
Number of innovation summits held per year	Post-summit report	New	New	New	1	1	1	1	

Co-ordinate 1 ICT workshop per year	report and attendance registers	New	New	New	1	1	1	1
Capacitate 100 youth on Innovation and Technology	1 report and attendance registers	New	New	New	100	100	100	100

5.3. Quarterly Targets for 2019/20: Innovation and Technology

Performance Indicator	Reporting period	Annual target 2019/20	Quarterly targets			
			Q1 Apr - Jun	Q2 Jul - Sep	Q3 Oct - Dec	Q4 Jan – Apr
Number of innovation labs established per year	Annually	1	n/a	n/a	n/a	1
Number of innovation summits held per year	Annually	3	n/a	n/a	n/a	3
Co-ordinate 1 ICT workshop per year	Annually	1	n/a	n/a	1	n/a
Capacitate 100 youth on Innovation and Technology	Annually	100	n/a	n/a	n/a	100

5.3.1 Innovation and technology:



6. PROGRAMME 4: MARITIME ACADEMY

The Maritime Academy (Programme 4) undertakes, coordinates, promotes and assist in the development of the ocean's economy and job creation. Maritime Academy comprises of 6 sub-programmes which are Enterprise Development, Maritime Strategy, Boatbuilding, Maritime Skills, Enterprise Incubation. The following table illustrates sub-programme structure and its associated strategic goals and strategic objectives.

PROGRAMMES		SUB-PROGRAMMES		STRATEGIC OBJECTIVE
4	Maritime	4.1	Enterprise Development	To capacitate aspirant and emerging maritime enterprises to establish and grow sustainable businesses.
		4.2	Boatbuilding	To promote an appreciation of the ocean economy, maritime education and engagement with public, coastal communities and stakeholders.
		4.3	Maritime Skills Development	To promote an appreciation of the ocean economy, maritime education and engagement with public, coastal communities and stakeholders

6.1. Strategic Objectives and Performance Indicators: Maritime Academy

Strategic objective	5-year Strategic plan target	Audited/actual performance		Estimated performance		Medium Term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
To use MKI's knowledge, expertise and resources towards maritime policy, strategy and programme development, delivery, monitoring and evaluation	Twelve Enterprise Development Workshops hosted annually	New	New	New	4	4	4	4
	Number of 50 boats built	New	New	New	10	10	10	10
	Number of 1500 trainees on Maritime skills development	New	New	New	300	300	300	300

6.2. Programme Performance Indicators and Annual Targets: Maritime Academy

Programme Performance Indicator	Means of verification	Audited performance			Estimated Performance	Medium-term targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of Enterprise Development workshops	Attendance Registers	New	New	New	4	4	4	4

hosted annually								
Number of boats built per year	Completed boats	New	New	New	10	10	10	10
Number of trainees on maritime skills development per year	Attendance registers and skills training reports	New	New	New	300	300	300	300

6.3. Quarterly Targets for 2019/20: Maritime Academy

Performance Indicator	Reporting period	Annual target 2019/20	Quarterly targets			
			Q1 Apr - Jun	Q2 Jul - Sep	Q3 Oct - Dec	Q4 Jan – Apr
Number of enterprise development workshops hosted per year	Annually	4	n/a	n/a	n/a	4
Number of boats built per year.	Annually	10	n/a	n/a	n/a	10
Number of trainees on Maritime Skills Development per year	Quarterly	300	n/a	300	300	300

7. TOTAL BUDGET FOR 2019/20

Table 8: Total Budget and MTEF Estimates

MKI BUDGET 2019/20 - 2022/23					
Expenditure		Main Appropriation	Medium-term Expenditure Estimates		
			2019/20	2020/21	2021/22
Programmes and sub-programmes					
Programme 1	Corporate Services	30 213	34 632	36 881	39 284
	Compensation	20 841	22 300	23 861	25 531
	Operations	8 472	11 332	11 920	12 540
	Capital expenditure	900	1 000	1 100	1 213
Programme 2	Research & Development	29 910	31 841	33 497	35 238
	Research & Development	13 199	11 676	12 283	12 922
	Bursaries	15 711	19 113	20 107	21 152
	Work Readiness Programme	1 000	1 052	1 107	1 164
Programme 3	Innovation & Technology	15 315	3 487	3 669	3 859
	Innovation	3 315	3 487	3 669	3 859
	Technology	12 000	-	-	-
Programme 4	Maritime	3 400	3 577	3 763	3 958
	Enterprise Development	1 400	1 473	1 549	1 630
	Boat Building	1 000	1 052	1 107	1 164
	Maritime Skills Development	1 000	1 052	1 107	1 164
	Sub-total	78 838	73 537	77 810	82 339
	Direct charges from EDTEA	76 038	70 591	74 712	79 079
	VAT refund	1 500	1 578	1 660	1 746
	Interest and other earnings	1 300	1 368	1 439	1 514
	Total	78 838	73 537	77 810	82 339

PART C: MKI MANDATE

To conduct world class research into training, skills development, provincial strategic economic factors and to strategically lead on innovation and maritime co-ordination and implementation activities to respond to the needs of the provincial economy

PART D: REVISIONS TO THE STRATEGIC PLAN

8. NEW STRATEGIC PLAN

8.1. Vision and Mission

MKI Board and its management reviewed its strategy vision and mission in order to align with the new mandate.

Revised vision in 2018/19
The Moses Kotane Institute is mandated to conduct world class research into training, skills development, provincial strategic economic sectors, and to strategically lead on innovation and maritime coordination and implementation activities to respond to the needs of provincial economy.
New Vision from 2019/20
An internationally recognised quality research institution driving economic development and innovation in KwaZulu-Natal
Revised mission in 2018/19
To provide timely and accurate economic research to the Provincial government to support the attainment of radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal.
New Mission from 2019/20
To provide timely and accurate economic research to the Provincial government to support the attainment of radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal.

8.2. Amendment to Strategic Goals

Moses Kotane Institute has revised its strategic goals following the revision of the vision and mission. This is to align with radical transformation, economic development and to remain relevant in the service delivery by offering what is the most required need in the skills development. The change in the strategic goals have been reflected in this 2019/20 Annual Performance Plan (APP).

Strategic Goals as per 2019/20 APP
To establish and maintain effective corporate governance
To position MKI as a preferred partner in skills development

Provide financial support for recognised research interventions to drive a knowledge-based economy
To establish and maintain effective corporate governance
To implement occupationally directed SET skills development programmes
Revised Strategic Goals for period commencing from 2019/20
Strategic Goal 1: Efficient and effective administration and governance.
Strategic Goal 2: Enhancing the knowledge economy through relevant research
Strategic Goal 3: Skills development facilitates economic growth
Strategic Goal 4: Promoting development of the Oceans Economy and job creation

8.3. Strategic Outcome Oriented Goals

Goal statements, baselines, justification and links:

The five strategic goals of the MKI are set out below, together with goal statements, baselines, justification and links.

Strategic Outcome Oriented Goal 1	Efficient and effective administration and governance
Goal statement	A well-governed, efficient, effective and sustainable entity
Baseline	The MKI is an NPO established by the EDTEA, and is in the process of transition to becoming a Public Entity in terms of the PFMA
Justification	The goal ensures the overall functioning and operational effectiveness of the MKI, effective corporate governance, accountability and financial sustainability
Links	This goal supports the NDP Goal of Building a capable and Developmental state, National Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship and PGDP Strategic Goal 6: Governance and Policy. It and conforms to the PFMA, King III, Treasury Regulations and other relevant legislation and policy.

Strategic Outcome Oriented Goal 2	<i>Enhancing the knowledge economy through relevant research</i>
Goal statement	The MKI seeks to enhance the knowledge economy of KZN through conducting relevant research, and making recommendations on policy and interventions:
Baseline	New programme.
Justification	Policy making, strategy formulation, the planning and implementation of strategic projects and the allocation of resources thereto in the Province should be informed and underpinned by proper research. The EDTEA and its public entities lack the capacity and skills to flexibly respond to these requirements including informing the public policy positions of provincial government. Research across EDTEA and its public entities is not well co-ordinated and may result in the duplication of costs associated with similar research. Neither EDTEA nor any of its public entities performs the function of being a central repository for economic information and data sets – a central repository may be needed as a one stop shop for both government and the private sector. Economic and social data sets linked to the provincial and local economy are limited and local data analysis is largely based on a disaggregation and extrapolation of national data (STATS SA, Reserve Bank, Treasury) – implying there is demand/need for local (micro-economic) data sets to enable more informed decision making. There are limited platforms in KZN for strategic and critical reflection on the key issues for future economic growth. There is insufficient labour market research related to the demand and supply of skills in the provincial economy to guide investment in education and skills training in a co-ordinated manner.
Links	The achievement of this strategic goal contributes to National Outcome 4: Decent employment through inclusive growth and PGDS Strategic Goal 1 on Inclusive Growth/Radical Economic Transformation, and Developing the Knowledge Economy

Outcome Oriented	Skills development facilitates economic growth
Goal statement	Skills development, specifically in facilitating economic growth in KZN
Baseline	Trained over 1000 people in between 2015 and 2017 on occupationally directed skills including digital terrestrial migration, municipal finance management, radio production,

	recognition of prior learning assessment, moderation and advisory and information technology learner support.
Justification	Communication between existing forums in order to support skills interventions that identify and address current and future needs is weak or ineffective. There is a need to coordinate relevant sector-based forums to achieve this objective.
Links	The achievement of this strategic goal contributes to economic growth in KZN, to National Outcome 5: A skilled and capable workforce to support an inclusive growth path and to PGDP Strategic Objective 2.2: Support skills alignment to economic growth

Strategic Outcome Oriented Goal 3	Facilitating economic growth through skills development – Innovation and Technology
Goal statement	Strategic integration of Innovation and Technology in driving industrial development in KZN – Innovation and Technology
Baseline	New programme
Justification	For both advanced and developing countries alike, the potential job losses as a result of the replacement of relatively skilled humans by intelligent machines will be significant. Simultaneously, the use of these machines can solve everyday problems for consumers, expand access to markets and services, lower prices, obliterate the notion of comparative advantage; and bring structural change (through digital disruption) in existing value and supply chains. Both of these need to be effectively managed.
Links	The achievement of this strategic goal contributes to National Outcome 4: Decent employment through inclusive growth and PGDS Strategic Goal 1 on Inclusive Growth/Radical Economic Transformation, and Developing the Knowledge Economy

Strategic Outcome Oriented Goal 4	Facilitating economic growth through skills development. - Maritime Academy
Goal statement	Development of the oceans economy and job creation promoted

Baseline	New programme
Justification	Promotion of an ocean economy, maritime education and engagement with public, coastal communities and stakeholders
Links	The achievement of this strategic goal contributes to National Outcome 4: Decent employment through inclusive growth and PGDS Strategic Goal 1 on Inclusive Growth/Radical Economic Transformation, and Developing the Knowledge Economy

9. ANNEXURE 1; TECHNICAL INDICATOR DESCRIPTION.

PROGRAMME 1: CORPORATE ADMINISTRATION

Sub-programme 1.1: Office of the CEO

Indicator Title	Number of partnerships established per year
Short definition	To establish partnerships that will assist MKI to implement its mandate
Purpose / importance	To successfully implement MKI mandate
Source of collection on data	Signed contracts including SLAs MOAs and MOUs
Method of calculation	Number of partnerships count
Type of indicator	Non-accumulative
Data limitations	None
Calculation type	Output
Reporting cycle	Quarterly
New Indicator	No
Desired performance	2 partnerships established
Indicator responsibility	Chief Executive Officer

Indicator Title	1 Annual Performance Plan implemented
Short definition	All programme performance targets as per the Annual Performance Plan are achieved.
Purpose / importance	If 100% of the APP targets are achieved, the MKI will be better able to achieve its strategic outcome-oriented goals and have a greater positive impact on the youth of KZN.
Source of collection on data	Validated Service Delivery Reports particularly the 4 th quarter.
Method of calculation	Number of indicator targets achieved divided by the total number of indicator targets multiplied by 100.
Type of indicator	Non-cumulative
Data limitations	None
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	100% of the APP programme performance targets are met by the end of the strategic plan period (i.e. 2019-2020)
Indicator responsibility	Chief Executive Officer

Indicator Title	1 Audited Annual Report
Short definition	Annual report that accounts for the activities of MKI, the resources employed and the resultant achievements and failures.
Purpose / importance	The audited Annual Report is a public document that transparently shares information with the public on the operations and achievements of the MKI. This is particularly important as the MKI is funded through tax revenues (public resources) and is accountable for the manner in which those resources are utilised.

Source of collection on data	Audited Annual Report
Method of calculation	N/a
Type of indicator	Annual
Data limitations	None
Type of indicator	Output
Calculation type	N/a
New Indicator	Yes
Desired performance	A high quality Audited Annual Report.
Indicator responsibility	Chief Executive Officer

Sub-programme 1.2: Finance

Indicator Title	Clean audit opinion
Short definition	To obtain unqualified opinion in both financial and performance information.
Purpose / importance	To give assurance to our stakeholders that the company's condition, performance and position is worth investing in.
Source of collection on data	Financial and performance reports
Method of calculation	1 set of financial statements
Type of indicator	Non- Cumulative
Data limitations	None
Type of indicator	Outcome
Calculation type	Annually and quarterly
New Indicator	No
Desired performance	A clean audit opinion
Indicator responsibility	Chief financial officer

Indicator Title	95% payment of valid invoices paid within 30 days.
Short definition	To ensure that all suppliers are paid within 30 days once the invoice has been delivered.
Purpose / importance	To ensure that supplier sustain their businesses through positive cashflow, and to create and maintain a trusting relationship between government and its stakeholders.
Source of collection on data	Age analysis report
Method of calculation	<u>Average accounts receivable</u> Annual sales/365 Days
Type of indicator	Non - accumulative
Data limitations	None
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	All valid invoices paid within 30 days of receipt.
Indicator responsibility	Chief financial officer

Indicator Title	70% of procurement spend on BBBEE service providers
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Short definition	To increase procurement, spend towards BBBEE service providers / suppliers.
Purpose / importance	To empower enterprises owned by historically disadvantaged individuals as a contribution towards radical economic transformation.
Source of collection on data	Procurement reports
Method of calculation	% of procurement from HDIs against the total % of procurement
Type of indicator	Non - accumulative
Data limitations	None
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	70% spent towards companies owned by HDIs in 2019/20
Indicator responsibility	Chief financial officer

Sub-programme 1.3: Corporate Services

Indicator Title	Number of Stakeholder events held annually
Short definition	To promote MKI programmes
Purpose / importance	To host events in order to promote MKI as an institute and its programme
Source of collection on data	Event plans, registers and reports
Method of calculation	Number
Type of indicator	Output
Data limitations	Nil
Calculation type	Quantitative
Reporting cycle	Quarterly
New Indicator	No
Desired performance	3 stakeholder events annually
Indicator responsibility	Executive Manager: Corporate Services

Indicator Title	Number of publications issued per year
Short definition	Newsletters
Purpose / importance	To keep clients and prospects up to date with developments of MKI
Source of collection on data	Published Newsletters
Method of calculation	Number
Type of indicator	Output
Data limitations	Nil
Calculation type	N/a
Reporting cycle	Quarterly
New Indicator	Yes
Desired performance	Publications issued
Indicator responsibility	Executive Manager: Corporate Services

PROGRAMME 2: RESEARCH AND DEVELOPMENT

Sub-programme 2.1: Research

Indicator Title	Number of research projects completed per year
Short definition	To conduct research towards in science and economics
Purpose / importance	To conduct relevant research and make recommendations on policy and interventions
Source of collection on data	Research reports
Method of calculation	Number of research reports
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Annually
New Indicator	No
Desired performance	8 research reports in 2019/20
Indicator responsibility	Executive Manager: Research

Sub-programme 2.2: Bursaries

Indicator Title	Number of students funded through MKI Bursary Scheme per year
Short definition	To provide bursaries to tertiary students
Purpose / importance	To develop a cohort of highly skilled youth through bursary programme
Source of collection on data	Reports
Method of calculation	Output
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Annually
New Indicator	No
Desired performance	Provide financial support to 100 tertiary students
Indicator responsibility	Manager: Research

Sub-programme 2.3: Work Readiness

Indicator Title	Number of Work Readiness support workshops hosted per year
Short definition	Work readiness programme
Purpose / importance	To ensure that graduates supported by MKI are well capacitated for competing in the labour market
Source of collection on data	Nil
Method of calculation	Output
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Quarterly
New Indicator	Yes
Desired performance	Attendance registers

Indicator responsibility	Manager: Research
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Sub-programme 2.4: Strategic sector forums

Indicator Title	Four strategic sector-based fora per year
Short definition	Coordinate sector-based forums
Purpose / importance	To coordinate selected sector-based forums to support skills interventions that identify and address current and future needs
Source of collection on data	Nil
Method of calculation	Output
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Quarterly
New Indicator	Yes
Desired performance	4 sector-based forums per year
Indicator responsibility	Manager: Research

PROGRAMME 3 INNOVATION AND TECHNOLOGY

Sub-programme 3.1: Innovation labs

Indicator Title	Number of Innovation labs established per year
Short definition	Innovation labs
Purpose / importance	To establish innovation labs in rural areas and Townships
Source of collection on data	Signed MOUs /MOAs
Method of calculation	n/a
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	Establishment of innovation labs in rural areas and townships
Indicator responsibility	Manager: Innovation

Sub-programme 3.2: Innovation Summits

Indicator Title	Number of innovation summits held per year
Short definition	1 Innovation summit held per year
Purpose / importance	To coordinate selected sector-based interventions that identify and address current and future needs.
Source of collection on data	Strategic report
Method of calculation	Number of summits held per year
Type of indicator	Non- Cumulative
Data limitations	Nil

Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	1 summit
Indicator responsibility	Manager: Innovation

Sub-programme 3.3: ICT Integration

Indicator Title	Co-ordinate 1 ICT workshop per year
Short definition	Strategic report on identified ICT area
Purpose / importance	To advise on the effective integration of ICT into government systems
Source of collection on data	Strategic reports
Method of calculation	n/a
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	1 strategic report for 2019/20
Indicator responsibility	Manager: ICT

Sub-programme 3.4: Innovation and Technology Skills

Indicator Title	Capacitate 100 youth on Innovation and Technology
Short definition	Skills training co-ordination
Purpose / importance	To coordinate training to support skills interventions that identify and address current and future needs
Source of collection on data	Nil
Method of calculation	Output
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Quarterly
New Indicator	100 Youth capacitated on innovation and technology
Desired performance	2 Skills training co-ordination reports
Indicator responsibility	Manager: Innovation

PROGRAMME 4 MARITIME ACADEMY

Sub-programme 4.1: Enterprise Development

Indicator Title	Number of Enterprise workshops held per year
Short definition	Number of maritime workshops held
Purpose / importance	To capacitate emerging companies on Maritime

Source of collection on data	attendance registers
Method of calculation	n/a
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	Reports and attendance registers
Indicator responsibility	Manager: Maritime

Sub-programme 4.2: Boatbuilding

Indicator Title	Number of boats built per year
Short definition	Boat Building
Purpose / importance	To capacitate emerging companies on Maritime
Source of collection on data	Business Plans
Method of calculation	n/a
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Annually
New Indicator	Yes
Desired performance	10 Boats built
Indicator responsibility	Manager: Maritime

Sub-programme 4.3: Maritime Skills development

Indicator Title	Number of trainees on Maritime Skills Development per year
Short definition	Skills training co-ordination
Purpose / importance	To coordinate training to support skills interventions that identify and address current and future needs
Source of collection on data	Nil
Method of calculation	Output
Type of indicator	Non- Cumulative
Data limitations	Nil
Type of indicator	Output
Calculation type	Quarterly
New Indicator	Yes
Desired performance	Skills training report
Indicator responsibility	Manager: Maritime



Moses Kotane Institute

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Economic Development, Tourism and
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PROVINCE OF KWAZULU-NATAL