MEETING OUR STAFF

Back ... Thozama Makapela  •  Litha Mcwabeni  •  Hadray Stuurman  •  Caleb Smith  •  Onke Makunga  •  Qengeba Mageza
Herbert Batidzirai  •  Nokwanele Zakhe  •  Nompumelelo Sithole  •  Nomabhele (Bhekisi) Mandaba

Front ... Donee Cloete  •  Nomvuso Kupiso  •  Azwell Banda  •  Noziphiwo Zulu Hans Ramharak  •  Andrew Murray
Ayanda Roji  •  Lu Heideman

ON THE COVER  •  Background: Aerial view of Port Elizabeth
Left: The size of the Coega Project is brought home by this 30-ton truck driving under a crane on one of the harbour breakwaters
Middle: Car Upholsters
Right: Fort Cox Agri College - Agricultural and Training Facilities
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As we unflinchingly continue in our endeavors to build a new society based on the principles of democracy, equality, freedom and justice; as we persist in the struggle to accelerate the reconstruction and development of our province and turn the tide on the scourge of poverty and unemployment; as we continue in our quest to place the provincial economy on a higher and more equitable growth path and address the basic needs of our population, we remain keenly aware that the fundamental structural challenges confronting the provincial economy, mirror similar challenges at a national level. These are as follows.

1. The dual character of the provincial economy which, after 350 years of unequal power relations, un-free labour patterns, and uneven development has yielded a bi-modal economic structure divided into a mainly white-owned and white-controlled modern sector, and a black underdeveloped non-formal sector.

It is well recognized that since 1994, South Africa and within it, the Eastern Cape, has successfully completed a transition away from a political and economic system of white political domination and racial capitalism to a new system of representative democracy which has been successfully institutionalized.
2. Deeply institutionalized inequalities in the distribution of income, socio economic power, property and opportunities, and,

3. The emergence- over the past 30 years- of a modern first world industrialised enclave that continues to show signs of increasingly de-linking itself from the black labour market, the unemployed and the lumpenproletariat because they are regarded as irrelevant to the enclaves operation and profitability.

In the period under review, ECSECC which is a formal consultative council consisting of stakeholder representation from Provincial Government, Organised Labour, the Private Sector and Development NGO’s, has been central in supporting the province consensually develop a Provincial Growth and Development Plan that effectively addresses the above and a host of related challenges.

In doing so, it is well recognized that ECSECC has honored its mandate which remains to “Advise and Assist Provincial Government Achieve and Integrated Development Strategy for the Province and its Constituent regions, in order to address the Economic Development of the Province in terms of the Reconstruction and Development Programme and, in particular the needs of deprived communities and underdeveloped areas”.

Looking ahead, and taking into account the nature and complexities of the challenges that the province (not just provincial government) will have to address over the next ten years, ECSECC has a fundamentally important role to play as a centre of excellence in applied socio economic research, development planning and facilitation, and; in ensuring a qualitative improvement in the interaction between provincial government, the private sector, organized labour and the provincial NGO sector in relation to the growth, development and poverty eradication targets of the PGDP.

Together our vision of a poverty free Eastern Cape in which all of our people benefit from the economy will be realized.

On the other hand, we have not been able to eliminate the socio economic gap between black and white citizens of our Province. Both opportunities, access to and ownership of the economy continue to show the imbalances of the past. This legacy of apartheid could compromise our young democracy.

Reverend M.A. Stofile, Premier, Province of the Eastern Cape
The Premier has clearly captured some of the critical issues that ECSECC, and by definition, Provincial government, the Private Sector, Organised Labour and NGO’s, have and continue to grapple with in the Province.

While the body of this report provides detail on the specific outputs of ECSECC in the period under review, this is perhaps an appropriate opportunity for me to clarify ECSECC’s approach to innovating more creative solutions to the challenges of Economic Growth, Employment Creation and Poverty Eradication.

Firstly, all social partners within ECSECC cohere around the view that successful socio-economic transformations with adequate scale and impact, particularly in relation to the poorest of the poor; require to be rooted in well functioning systems that structure interactions between government and social interest groups. Central to this viewpoint is an acknowledgement that successful development is not simply a function of public policy and state initiative, but a matter of participation by the public in development processes.
Secondly, it is recognized that while social partnerships of the kind manifested by ECSECC can never be a substitute for normative democratic structures, institutions and processes that condition state society relations, i.e. social partnerships can never be a substitute for good government—such partnerships are an essential ingredient for good governance.

Thirdly, ECSECC’s approach to the challenges of economic growth, employment creation and poverty eradication recognizes that social partnerships can never completely eradicate all of the contradictions that arise from the relationship between government, business, labour and other segments of civil society; the utility of such partnerships particularly at the level of providing a framework for a shared analysis of socio economic issues, policies and approaches to economic growth and development that constituencies can jointly advocate, is beyond dispute.

Looked at from a more practical point of view, all social partners in the province have an objective interest in:


2. Ensuring continuity and innovation in the approach of government and a diverse array of social agencies in relation to the challenges of economic growth, employment creation and poverty eradication.

3. Ensuring an improvement in the approach to service delivery, particularly in historically marginalised rural and urban areas of the province.

4. Ensuring an inclusive and broad based process of economic transformation that effectively deals with issues of economic opportunity, access, employment, growth and human development.

5. Providing an avenue for formal input of the citizenry and in particular underrepresented groups into the development process, beyond recourse to elections.

Looking ahead and further recognizing that ECSECC is rapidly developing a "state of the art" competence in applied policy research, development planning and facilitation, I am confident that ECSECC remains well positioned to mobilize the distinctive competencies of all social partners around the principal challenges of economic growth, employment creation and poverty eradication.

In addressing these challenges, ECSECC has my full confidence and whole hearted support.

Mr Stone Sizani
Chairperson of the Board
ECSECC’s vision and commitment to ‘a Poverty Free Eastern Cape in which all of its People Benefit from the Economy’ is as valid today as much as at the time of the organization’s formation in 1995.

Over the past financial year, ECSECC in conjunction with the Office of the Premier, key organs of Provincial Government, Organized Labour, Organized Business and the NGO sector has made a number of practical contributions towards a realization of our vision. These contributions are detailed in the body of this report.

Before, highlighting some of the specific achievements of the organization over the accounting period, it is perhaps appropriate to draw attention to a few general characteristics of the organization that points to its uniqueness as a provincial asset in both the provincial and indeed the national development context.

Firstly, ECSECC has effectively demonstrated a capability of reconciling its dual and complementary functions as a centre of excellence in applied socio economic policy research, development planning and facilitation on the one hand, with an
approach that creatively mobilizes stakeholder formations into provincial policy and planning processes, on the other. In this way ECSECC has and continues to contribute to a well functioning system that structures interaction between government and social interest groups in the general interests of economic growth and development in the province as a whole and marginalized rural parts of the province, in particular.

Secondly, the year under review has witnessed unprecedented levels of co-ordination and cooperation between ECSECC, key organs and departments of Provincial Government, parastatals and stakeholder formations. Such coordination and cooperation was achieved largely within the framework of evolving a Provincial Growth and Development Plan to effectively address the fundamental challenges of economic growth, employment creation and poverty eradication within the province. This level of co-ordination and cooperation will no doubt have to be maintained and developed as we move deeper into the life cycle of the PGDP.

Thirdly, in and through engaging in the activities detailed in this report, ECSECC has undergone an intensive learning curve that has sensitized the organization not just to its strengths and weaknesses, but the magnitude and complexity of the challenges that the province (not just provincial government) will have to address over the next ten years, if the objectives of the PGDP are to be realized.

At this stage it is perhaps appropriate to focus on some of the specific achievements of ECSECC over the 2002-2003 financial year:

1. Contributed to the establishment and management of a Project Management Unit (PMU) as a special purpose vehicle to drive the PGDP.

2. Supported the Social Needs Cabinet Committee and Cluster develop an integrated HIVAids Plan, and assisted in the resuscitation of the Provincial AIDS Council.

3. Developed a Rapid Impact Programme to kick start economic development in the former Bantustan areas of the province.

4. Developed an industrial development strategy for Uitenhage.

5. Produced and published socio-economic profiles for all district municipalities of the province.

6. Organised and facilitated policy schools for organized labour.

In conclusion, I will like to thank the Office of the Premier, my Chairperson and Board of Directors and Colleagues for their unwavering commitment, support and professionalism in the unfolding struggle for fundamental transformation in our province.

Dr Hans Ramharak
Executive Director
INTRODUCTION

Background

ECSECC was established in 1995 within a historical context characterized by the persistence of a number of structural, political, economic and social problems confronted by a newly elected ANC-led government. The period was also marked by a generalized but incomplete transformation of both the provincial government and the administration. All of the above unfolded within a national political climate characterized by the hegemony of the Reconstruction and Development Program and the maturation of a political culture committed to evolving new forms of development cooperation between government, labour, organized business and developmental non-governmental organizations.

Vision

A poverty free Eastern Cape where all people have equitable access to social services and fully benefit from the economy.
Mission

To become a center of excellence in applied policy research and development planning.

Strategic objectives

The principal objective of ECSECC as contained in the founding document states that “…the Council will advise and assist provincial government achieve an integrated development strategy for the province and its constituent regions, in order to address the economic development of the province in terms of the RDP, and in particular the needs of deprived communities and underdeveloped areas.”

More specific objectives of ECSECC include the following:

• Facilitate and coordinate the implementation of development programmes between all key stakeholders in the Province of the Eastern Cape;

• Facilitate development by providing an avenue for formal inputs into the policy-making process of government;

• Support government in advancing the efficient delivery of development;

• Empower communities and the grassroots structures of civil society to engage in development, and;

• Assist the provincial government in developing policies and strategies that will facilitate the growth of the provincial economy.
ECSECC’s core programmatic accomplishments for the period under review revolved around the following “minimum programme”:

- Public Sector Support
- Rural Local Economic Development
- Information and Resource Centre
- Stakeholder Mobilisation
- Finance and Administration

In determining the role of ECSECC on each of the above terrains, care was taken to:

- more effectively and creatively respond to existing and emerging challenges in the provincial development context;
- avoid duplication, particularly with the Office of the Premier’s Policy Branch;
- enhance synergy with complementary initiatives;
- further develop and creatively apply ECSECC’s competence in applied socio-economic research, development facilitation, statistics and data base management, social participation and project management;
- ensure creative and innovative responses to old intractable problems relating to socio-economic underdevelopment of the province.
**Provincial Growth and Development Strategy**

**AIM**

Support Provincial Government and its social partners (organized business, labour and the NGO/community sector) formulate a Provincial Growth and Development Plan that provides a strategic framework, sectoral strategies and programmes aimed at the rapid improvement in the quality of life of the poorest people in the Province for the ten year period 2004-2014.

**KEY PERFORMANCE AREAS**

- Review the Provincial Growth and Development Strategy (1997-2002) with a view to strengthening the process and approach of the PGDP.

- Participate in the PGDP Management Team and PGDP Reference Group that provides overall strategic guidance to the PGDP process.

- Development of a concept document that provides an outline of the general purpose, core intentions and strategic approach informing the generation of the PGDP (for discussion at the inception workshop).

- Participation in the various Working Groups including the development of Terms of Reference for Sector Studies, as well as the development of discussion documents and input papers.

- Assist Provincial Government, the Project Management Unit, and the Working Groups development a PGDP Strategy Framework that provides a consensus-based vision and quantified targets in the areas of economic growth, employment creation, poverty eradication, and income redistribution for the period 2004-2014.

**HIGHLIGHTS**

While there were many PGDP highlights in the period under review, three stand out above all others.

The first is the development of the PGDP Strategy Framework, produced jointly by ECSECC, the PMU and the PGDP Working Groups, and adopted by EXCO shortly after the close of the 2002/03 financial year. In summary, the Framework Document provides an analysis of the causes of socio-economic underdevelopment in the Province and a summary of the key challenges to be addressed by the PGDP; it sets out clear development opportunities to be seized by the PGDP, outlines a quantified vision and sequenced targets for economic growth, job creation, poverty eradication, human development, and institutional transformation.

The second highlight speaks to the unprecedented mobilization of a wide-range of stakeholders in support of the PGDP. Extensive consultation with and input from Provincial Government, public entities, municipalities, business, labour, NGOs, higher education institutions, the UNDP and DFID, both strengthened the planning outcomes (such as the Strategy Framework) and importantly has laid the basis for long-term development co-operation and commitment around
a defined set of socio-economic development priorities in the Province.

The third highlight refers to Provincial Government’s commitment – both political and administrative – to the process. This marks a fundamental shift away from sector-driven, short-term plans, towards a medium-to-long range plan that is able to lift up, prioritise and address major structural deficiencies in the economy and labour market.

CHALLENGES, CONSTRAINTS, AND SOLUTIONS

The key challenge to be confronted in the year ahead (2003/04) is the translation of the Strategy Framework into tangible programmes and projects. This will include packaging “Flagship Projects” and priority programmes; as well as reviewing and transforming institutional capacity and capability to ensure effective and efficient prosecution of these programmes and projects.

Also critical will be tight compliance monitoring of Government Departments to ensure that they integrate PDGP priorities into their strategic plans. This will necessitate close collaboration between the Office of the Premier and Treasury, and the development of new and innovative monitoring tools.

Also important will be to keep the PGDP alive in the minds, not only of Government, but in all the stakeholders who were mobilized in support of the process this year. This will necessitate the development and implementation of an effective communications strategy, as well as the development of institutional capability to co-ordinate and mobilize stakeholders behind the Plan.

Public Sector Support

AIM

The overarching aim of the Public Sector Support Programme for the period under review was to provide research and technical support to the Cabinet Cluster’s and composite departments in manner that enhances delivery of Provincial Government’s priority development programmes and projects.

KEY PERFORMANCE AREAS

• Baseline research to enable effective programme design and targeting, as well as to establish benchmarks against which the impact of Government programmes can be evaluated;

• The development of sector strategies and programmes for Cabinet Clusters and composite departments;
The identification of delivery blockages and co-ordination failures in the implementation of Government’s core programmes with a view to generating strategic options for decision-making.

HIGHLIGHTS

Highlights for the period under review speak to work on the terrains of HIV/AIDS, human resource development, poverty eradication, and economic development.

With respect to HIV/AIDS, ECSECC continued to provide technical support to both the Social Needs Cluster and HIV/AIDS directorate in the Department of Health. This involved translating the HIV/AIDS Strategic Plan that was developed in 2001/02 into an implementation plan with clear sequenced targets. This Plan was adopted by EXCO and has served as the basis for monitoring the collective efforts of the Departments of Health, Education and Social Development in fighting the HIV/AIDS pandemic.

One of the key weaknesses in Provincial Government’s fight against HIV/AIDS was identified as the sub-optimal functioning of the AIDS Council. A “Revitalization Plan” was developed and adopted by the Social Needs Cabinet Committee. This will see the revitalization of the Council this year complete with a fully-fledged secretariat. ECSECC also assisted the Social Needs Cluster develop a Provincial Poverty Eradication Plan. This Plan, adopted by the Social Needs Cabinet Committee and EXCO, suggests three platforms upon which anti-poverty efforts are to be focused and co-ordinated – social security (in particular accelerating the uptake of the Child Support Grant); food security (including nutrition support); and labour-based infrastructure. While individual programmes that make up the Plan are being co-ordinated by the Social Needs Cluster, huge challenges still remain with respect to overall co-ordination and monitoring.

With respect to Human Resource Development, our programmatic efforts in the year 2002/03 built upon work undertaken the previous financial year in developing proposals for higher education transformation. Under the leadership of the Premier and Education MEC, a task team was constituted and a Provincial Strategic Response developed and adopted by EXCO. Ultimately, this process was able to influence decision-making of National Cabinet in favour of our historically-disadvantaged institutions of Unitra and Fort Hare.

The other key highlight of the year under review is the Transkei Rapid Impact Programme. This project arose out of the concerns of the Economic Growth and Development Cabinet Committee and Cluster that there was no coherent economic development programme that specifically addressed poverty and underdevelopment in the former homeland areas of the province. This led to the packaging of the Rapid Impact Programme, that included a range of interventions on the terrains of agro-forestry, infrastructure and roads, and food production (Massive Food Production Programme).
CHALLENGES, CONSTRAINTS AND SOLUTIONS

Internal ECSECC human resource and capacity constraints mitigated against more effectively servicing the Cabinet Committees and Clusters. To some extent this capacity-constraint has been addressed with the appointment of two high level professionals – a policy researcher and a monitoring and evaluation specialist. This will enable ECSECC to scale up and sustain its support to the Clusters, especially with respect to monitoring and evaluation.

Also of concern has been the absence of an overarching socio-economic development strategic framework within which to locate and focus the work of the Clusters. This is being addressed through the PGDP, that will begin defining priority programmes and flagship projects for co-ordination by Clusters and Cabinet Committees.

Rural Local Economic Development

AIM

Consolidate the Rural Local Economic Development Programme to more effectively respond to the demand for planning support at Local and District Municipal level.

KEY PERFORMANCE AREAS

• New generation of ECSECC Info Bulletins dealing with local government issues

• Greater interaction with the provincial department of Housing and Local Government in achieving ECSECC’s objectives which include building bridges between provincial and local government around development planning by interfacing regularly with municipalities in the Eastern Cape to enhance information flows between provincial and local government around priority programmes and projects. This will include facilitation-type assistance to municipalities to access available resources in existing provincial government programmes to be implemented locally.

• Workshops with district and local municipalities to inform the strategic direction and approach to local government transformation

• Critical appraisal of IDP’s especially at district level in two District Municipalities, including analysis of aggregate demand and industry supply ratio’s at district level through a sound methodology taken forward with identified strategic partners such as FHIG and Afesis-Corplan.

• Identify clusters of poverty in the province down to ward level along the South West / North East poverty axis, and co-evolve strategies to address poverty along with ECSECC’s Public Support Programme, Housing and Local Government and other stakeholders.

• Undertaking local economic research and developing further strategies for LED in priority municipalities, thus responding to the need for LED research and strategy planning based on specific investigation of local need, potential and initiative.
• Local government policy support and planning, providing local government policy analysis, research and capacity-building to key ECSECC stakeholders, including provincial government, the NGO sector and organized labour.

• Assist other ECSECC programmes with activities that require Ruled skills, including research capacity, to serve provincial priority initiatives such as the PGDP and TRIP.

HIGHLIGHTS

The year 2002 / 2003 saw municipalities moving out of the IDP drafting phase, into new challenges of implementation and reflection. Ruled staff had been intimately involved in IDP drafting processes, and were able to look back on these experiences and reflect with stakeholders on the new approach to municipal planning during 2002/3.

A provincial assessment of IDPs was undertaken by Ruled early in the year, and presented at an Afesis-Corplan Local Government Transformation Unit Regional Seminar. The NGO sector showed a new interest in local government during the participatory planning stages, and Ruled was also able to build capacity within the NGO Coalition by making workshop presentations regarding local government.

Workshop presentations were also given to Cosatu as part of their policy school. As the year progressed, the interests shifted from IDPs toward Local Economic Development (LED), and new research and papers were developed. Research into the decline of the King William’s Town local economy was requested by the local Buffalo City Ward Councillor, and Ruled responded by undertaking a study of the local economy, the causes of the decline and possible options for reviving the economy as part of the newly created aspirant metro. This project has led to a new working relationship with Buffalo City, which has seen a strong commitment to rural development in the peripheral parts of the aspirant metro, which includes large areas of rural villages around King William’s Town.

Ruled has responded to the needs of development partners in the province, such as Mvula Trust, who are moving into the arena of LED and required a sound institutional analysis of local government and its LED functions in the province. A paper was presented at a Mvula Trust and funders workshop to this end. Ruled was also able to develop a paper for the PGDP governance working group around the state of governance and recommendations with regards to civil society and organised labour in the Eastern Cape, which was presented to the working group and taken further as project selection processes unfolded.

In late 2002 / 2003, a major research project was started within Ruled to look into the delivery of Free Basic Water and Electricity in the Eastern Cape at municipal level. The objective of the project was to assess the extent of delivery and draw policy lessons with regard to success and failure factors across the province. The research started to reveal interesting trends and shifts within the municipal services...
policy environment that are under ongoing analysis by Ruled staff.

CONSTRAINTS, ChALLENGES AND SOLUTIONS

Ruled saw the number of staff in the programme at its lowest in 2002-2003, with the programme manager being seconded to work on drafting the Provincial Growth and Development Plan in the newly created PMU. The remaining ruled staff member has continued to be involved in the PGDP process as part of the governance working group, advising particularly on local government and public transformation issues. Ruled staff were also able to manage the planning and secretariat functions for a future capacity-building project known as 'Knowledge and Progress' that employs alternative methodologies for experiential learning for development practitioners. The project is being designed and managed in conjunction with Ken Cole of the University of East Anglia in the United Kingdom and locally the University of Fort Hare, which has allowed Ruled to build new links with relevant academic institutions.

The year ahead will see Ruled building on its current relationships and research projects to respond to needs of social partners and municipalities within the province. Ruled will be expanding its activities as the year progresses, with the additional of new skilled staff to bolster the programme.

Information and Resource Centre

AIM

Provide information and planning support to Provincial Government Departments, district and local municipalities, trade unions, NGOs, and other social partners.

KEY PERFORMANCE AREAS

- Develop a Resource Center that collates and disseminates relevant information and publications to ECSECC’s constituent sectors.

- Operationalise and regularly update a website for easy access of key policy, research reports, data and development material and in addition more effectively communicate government plans and programs.

- Produce a set of ECSECC Information Bulletins that provide...
a platform for more effective interfacing between provincial and district municipal planning and implementation.

- Continually provide a Geographical Information Systems Support to internal programs, provincial and local government and other social partners

**HIGHLIGHTS**

**District Profiles**

ECSECC has continued developing a series of municipal district statistical profiles. Both OR Tambo & Alfred Nzo District Profiles were published during this time. The profiles are a comprehensive compilation and analysis of an enormous amount of geographically specific data, ranging from demographic data such as population features, poverty indicators and income levels, education status, health indicators, labour market indicators, economic features through to environmental, socio-economic and service data. The profiles detail the exact nature and extent of underdevelopment in these areas. Data is presented in an accessible and appealing visual form (maps are used extensively), allowing for easy digestion of the information by local communities and decision-makers who find the information socially relevant and enlightening.

**Johannesburg World Summit 2002**

ECSECC was proud to exhibit its GIS capacity with other exhibitors at the Eastern Cape stand at the Johannesburg World Summit. This provided valuable exposure of ECSECC’s GIS capacity and its other information resources available to both South African and broader international communities. Such exposure created relationship’s with other beneficial organisations. As a result of the summit, ECSECC was able to contribute a project conducted by the Agricultural Research Council. This project seeks to provide simple GIS capacity in a variety of socio-economic and agricultural sectors to local municipalities in the Eastern Cape.

**ECSECC Resource Centre**

At the beginning of this year, ECSECC commenced the establishment of a Resource Centre to inform the development and implementation of its programmes. In addition the Resource Centre provides invaluable text and multimedia resources for key stakeholders, government and other decision makers in the province. ECSECC plans to officially open the Resource Centre during October 2003.

**Ongoing Information Support**

The Information Unit has continued to provide ongoing information support to government at all levels and other decision-makers in the province who require reliable and up-to-date data. This is usually in the form of statistics or maps. District & Local municipalities in particular have benefited from information in these formats. The Information Unit has also provided key information support to the cabinet clusters. In particular for the Eastern Cape Rural Transport Strategy and the Poverty Eradication Programme.
CONSTRAINTS, CHALLENGES AND SOLUTIONS

Currently in the Province there exists a need to develop and manage a Provincial Socio-Economic Database of time-series and real-time data that can inform policy and strategy development, program planning and targeting, and monitoring of the Province’s priority development initiatives. The capacity in this area will complement and enhance that which has already been developed in the area of GIS. In addition, it will assist the formulation and implementation of the Provincial Growth and Development Plan, and enhance our support to the Cabinet Clusters.

Stakeholder Mobilisation in support of the PGDP Programme and Special Projects

AIM

Create space for a systematic and ongoing mobilisation of constructive inputs of a diverse range of stakeholders into the development process in the Eastern Cape

KEY PERFORMANCE AREAS

- Provide policy and planning support to ECSECC stakeholders through facilitation of strategic planning workshops and policy schools
- Facilitate greater coordination between social partners through identifying and undoing blockages by creating platform for social partners to engage in development processes.
- Provide training and capacity development by identify areas where ECSECC stakeholders do not have capacity to deliver and facilitate training and skills development

HIGHLIGHTS

Through the Stakeholder Mobilisation programme ECSECC continues to play “multi -stakeholder” role, intervening in the planning and development processes of its social partners. This programme has been operating in a flexible, trouble shooting manner thus responding to requests to particular stakeholders. It has, in the period under review facilitated a number of policy schools and stakeholder policy workshops in the Province. The focus of the policy schools is on topical issues, e.g. policy formulation process, and how stakeholders engage in policy issues.

CONSTRANTS, SOLUTIONS AND CHALLENGES

Currently ECSECC is involved in a range of support interventions to Provincial Government and other stakeholders, mostly centred around the PGDP. Against this backdrop, the challenge will be to effectively mobilise the creative inputs of a broad range of stakeholders behind the vision and objectives of the PGDP. The other challenge relates to the establishment of three “Chambers” each focusing on the three fundamental planks of the PGDP.
Finance and Administration

AIM

Provide effective and efficient financial and administrative support to ECSECC’s programmes.

KEY PERFORMANCE AREAS

Administration
• Clean, tidy fully functional ECSECC base office
• Receptionist, secretarial, publication skills available
• Maintenance of office equipment in good working order
• Replenishment of consumables
• Messaging system
• Facilitation of travel arrangement and workshops for program staff
• Amendment and adoption of Human resource policy
• Amended constitution/ founding document
• Contract management / Performance management

Finance
• Creditor, Debtor, Cash flow, fixed asset management
• Budget and variance analysis and submissions
• Monthly income and expenditure reports
• Quarterly expenditure reports
• Annual reporting – Annual financial statements
• Enforcing internal control
• Compliance with treasury regulations, PFMA and GRAP
• Co-operation with audit committee, internal audit function and external audit function.

HIGHLIGHTS

• An audit committee was appointed under the period under review in terms of the requirements of the PFMA.

• The annual audit was completed with a qualified ‘except for’ opinion, quarterly expenditure reports were submitted to the Office of the Premier and the Finance and Administration committee met on a quarterly basis in the 2002/2003 financial year.

• Administrative systems were streamlined to ensure effective and efficient running of ECSECC base office, logistical arrangements and secretarial functions.

• Finance and Administration staff were sent on training courses based on a skills needs analysis of each employee within the section with a view to enhance competencies.

CONSTRAINTS, CHALLENGES AND SOLUTIONS

The 2002/2003 year saw ECSECC expanding with new staff posts to be filled. These were not filled by the end of the financial year, but this will be done early in the next financial year. With this in mind premises needed to be secured to house the ECSECC organization. It has been established that offices in the Global Life Building are available for rental, opposite ECSECC’s current offices. Given the number of new staff that will be appointed a sound performance appraisal system is a challenge for the 2003/2004 financial year to ensure optimum productivity.
### PROGRAMME: Provincial Growth and Development Plan

<table>
<thead>
<tr>
<th>Key Objectives</th>
<th>Outputs</th>
<th>Service Delivery Indicators</th>
<th>Actual Performance</th>
</tr>
</thead>
</table>
| Take forward the ECSECC Board and Provincial Executive Council decision to review and quantitatively and qualitatively develop the Provincial Growth and Development Plan | • PGDS 1 reviewed  
• PGDP Strategy Framework formulated  
• Regular progress reports to cabinet  
• Stakeholders mobilized in support of PGDP  
• Strategic and technical support to PMU and various working groups | • Sector study ToRs  
• Strategy framework Document  
• Cabinet minutes  
• Working group minutes | • Participation in PGDS management Team and Working group 0  
• Progress reports given to Economic Growth and Development Cabinet Committee  
• Terms of Reference for Sector Studies completed  
• Participation in Economic Growth and Social Needs, Governance and Fiscal Working Groups  
• Strategy framework completed with PMU and submitted to EXCO |

### PROGRAMME: Public Sector Support

<table>
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<tr>
<th>Key Objectives</th>
<th>Outputs</th>
<th>Service Delivery Indicators</th>
<th>Actual Performance</th>
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</table>
| Provide research and technical support to the Cabinet Clusters and composite department’s in a manner which enhances delivery of the province’s core integrated development programmes | • Packaging of programmes for Social Needs Cluster  
• Technical Support provided to Clusters and Provincial Government departments | • Reports and documents submitted to Social Needs Cabinet Cluster and line function departments  
• Cluster meetings are attended (minutes) | • Provincial HIV/AIDS Implementation Plan completed  
• Business Plan to accelerate the delivery of the Child Support Grant completed  
• Social Cluster priority programs developed for budget Indibano  
• Provincial Poverty Eradication Framework and Implementation Plan developed  
• Baseline study for Provincial VEP program completed |

| Support is provided to the Provincial Department of Education in support of enhanced curriculum delivery and education transformation | Technical assistance to Department of Education in establishing an Education Advisory Council  
Education Advisory Council meetings facilitated | Technical assistance provided to wind up Interim Education Advisory Council, and establish full-blown council |

| Support is provided to Provincial Government to develop a provincial position on Higher Education Transformation | • Convening of Provincial HE Task Team  
• Technical report  
• Mobilization of stakeholders behind provincial position on Higher Education Transformation | • Report  
• Stakeholder workshops facilitated | Provincial Position on Higher Education Transformation completed and submitted to the Premier |

| Support is provided to the Provincial Department of Transport to develop an Eastern Cape Rural Transport Strategy | • Concept paper  
• Integrated Rural Transport Strategy  
• Implementation Plan | • Policy documents submitted to Eastern Cape Department of Transport  
• Steering Committee minutes | • Concept paper prepared and presented to Rural Transport Strategy Steering Committee  
• First draft baseline study of rural transport infrastructure, services and institutional capacity completed |

| Support is provided to Provincial Government to develop a Rapid Impact Program for the underdeveloped former homeland areas of the Province | Rapid Impact Program with delivery mechanism designed for implementation | • Program document  
• Cabinet minutes | Rapid Impact Program accepted by Exco |
### PROGRAMME: Rural Local Economic Development

<table>
<thead>
<tr>
<th>Sub-program / project</th>
<th>Outputs</th>
<th>Service Delivery Indicators</th>
<th>Actual Performance</th>
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<tbody>
<tr>
<td>Consolidate the Rural Local Economic Development Programme to more effectively</td>
<td>• Undertaking Integrated Development Plan for local municipalities</td>
<td>Research paper completed, presentation given at workshop</td>
<td>• Nkonkobe IDP completed and accepted by municipality and DPLG • Joint facilitation of Provincial IDP Workshop with Afesis Corplan • Research paper written, and presented to the Eastern Cape NGO Coalition on participatory obligations in municipal planning and opportunities for civil society engagement</td>
</tr>
<tr>
<td>respond to the demand for long range economic development planning at Local and District Municipal level</td>
<td>• Participating in numerous IDP/LED forums of district municipalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Economic Development (LED) support to municipalities</td>
<td>• Undertaking LED strategies</td>
<td>• LED strategies and economic opportunity assessment completed</td>
<td>• Uitenhage Industrial Development Strategy completed and community workshops facilitated • Research report on decline of KWT economy and measures for revitalisation completed • Paper written and presented at Mvula Trust/EU led workshop on provincial local government capacity to take LED forward</td>
</tr>
<tr>
<td></td>
<td>• Economic opportunities assessments for small rural towns and depressed urban economies</td>
<td>• Stakeholder workshops facilitated</td>
<td></td>
</tr>
<tr>
<td>Provincial Growth and Development Plan support</td>
<td>PGPD governance working group support, paper written and presented on state of governance in civil society and organised labour provincially</td>
<td>Research support to Governance Working Group, governance working group meetings attended</td>
<td>Research paper written, presented at Governance Working Group workshop, governance working group meetings attended</td>
</tr>
<tr>
<td>Research for municipalities and stakeholders on local government issues</td>
<td>Case study research report on free basic water and electricity delivery in the province</td>
<td>Case-study research proposal produced</td>
<td>Case-study research proposal on delivery successes and failures in terms of municipal services and the free basic services policy produced</td>
</tr>
</tbody>
</table>

### PROGRAMME: Information and Resource Centre

<table>
<thead>
<tr>
<th>Sub-program / project</th>
<th>Outputs</th>
<th>Service Delivery Indicators</th>
<th>Actual Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Profiles</td>
<td>Socio-economic profiles production for all district municipalities in the province</td>
<td>ECSECC Info Bulletins produced</td>
<td>Info Bulletin of and OR Tambo and Alfred Nzo District Municipalities produced</td>
</tr>
<tr>
<td>Information support to package Cabinet Cluster Programmes and local municipality Integrated Development Plans (IDPs)</td>
<td>Accurate time-series and real data and information is provided to ECSECC social partners to assist planning and resource allocation</td>
<td>Maps, data</td>
<td>• Data and maps produced to inform the Rural Transport baseline study and the design of the Poverty Eradication Programme, Eastern Cape Provincial Profile among others • Data generated for municipalities including Mnquma, Intsika yethu, Gariep, Buffalo City, King Sabatha, Dalindyebo, Mbashe, Mahlathi, King William's Town, Nelson Mandela metro</td>
</tr>
<tr>
<td>Johannesburg World Summit for Sustainable development</td>
<td>Exhibit GIS Posters, info bulletins highlighting development in the Eastern Cape</td>
<td>A1 size posters produced</td>
<td>ECSECC exhibition at the Johannesburg World Summit</td>
</tr>
<tr>
<td>Resource Centre</td>
<td>• Information dissemination to stakeholders</td>
<td>Information requested by a number of stakeholders/organizations</td>
<td>Stakeholders and ECSECC internal programmes serviced on daily basis</td>
</tr>
</tbody>
</table>
### PROGRAMME: Stakeholder Mobilisation

<table>
<thead>
<tr>
<th>Key Objectives</th>
<th>Outputs</th>
<th>Service Delivery Indicators</th>
<th>Actual Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity building for organized labour</td>
<td>Organizing and running weeklong policy schools</td>
<td>Policy schools organized and run for labour leaders on current topical public policies</td>
<td>The November 2002 policy school run at All Saints in Bishopswill</td>
</tr>
<tr>
<td>Strategic stakeholder chamber formation</td>
<td>Construction of chambers for stakeholders to input into the PGDP process and its implementation</td>
<td>Stakeholders have a mechanism through which they can input into the PGDP process and its implementation</td>
<td>Draft terms of reference are prepared</td>
</tr>
<tr>
<td>Capacity building for councilors</td>
<td>Production of policy capacity building programme for councilors in the NMM</td>
<td>Enhancing the capacity of councilors in the Metro to engage policy issues both in the council and in their communities</td>
<td>• Discussions with Metro officials and councilors on the programme</td>
</tr>
<tr>
<td>Knowledge and Progress / Labour component</td>
<td>Production of the initial input into the Knowledge and Progress learning process</td>
<td>The project is aimed at enhancing the development potential of individual labour leaders through their experience and within their work environment</td>
<td>Input produced and integrated into the training programme</td>
</tr>
<tr>
<td>Strategic planning and facilitation services</td>
<td>Rapid responses to requests for facilitation</td>
<td>The project is aimed at enhancing ECSECC’s capacity to respond timeously and professionally</td>
<td>Provision of strategic planning services and development facilitation done, continuous basis</td>
</tr>
</tbody>
</table>

### PROGRAMME: Finance and Administration

<table>
<thead>
<tr>
<th>Key Objectives</th>
<th>Outputs</th>
<th>Service Delivery Indicators</th>
<th>Actual Performance</th>
</tr>
</thead>
</table>
| Provide effective financial management and effective administration in support of ECSECC core programs | • Effective, efficient and transparent financial management in line with GAAP and PFMA  
• Efficient administration of ECSECC office and effective logistical support to ECSECC programmes | • Auditors statements  
• Board minutes  
• Programme and Administration staff meeting minutes | • Annual Audit completed  
• Finance and Admin sub-committee meetings and Board meetings held  
• Annual report presented to RDP and Corporate Services Standing Committee  
• Audit committee appointed Developed Business Plan and Budget (2003/04) |
The Executive Director has pleasure in presenting his report for the year ended 31 March 2003.

NATURE OF BUSINESS

ECSECC is a schedule 3 Public Entity in terms of the PFMA (Act no 1 of 1999), which was established in 1995. The organisation comprises representation from the Provincial Government, Organised Business, Organised Labour and the Eastern Cape NGO Coalition.

ECSECC’s vision is that of a poverty free Eastern Cape in which all people have equitable access to social services and fully benefit from the economy. In terms of the vision just outlined, ECSECC’s core business is that of a “multistakeholder centre of excellence in applied Socio-Economic policy research, development planning and facilitation.

REVIEW OF OPERATIONS

ECSECC’s core activities in the 2002/2003 financial year were undertaken in terms of four separate but inter-related programmes, supported by the Admin and Finance divisions.

These are as follows:
• PGDP
• Public Sector Support
• Rural Local Economic Development Programme
• Information and Resource Centre

The key performance areas covered were:
• Supporting the quantitative and qualitative development of the Provincial Growth and Development plan.
• The prosecution of Sectoral Studies, in conjunction with line function departments, with the objective of contributing to building a more unified and integrated economy free of the problems of poverty, inequality and joblessness.
• The provision of research and monitoring support to the Cabinet Clusters in a manner that enhanced delivery of the province’s core development programmes.
• The consolidation of the Rural Local Economic Development Programme to more effectively respond to the demand for long range economic development planning at Local and District Municipal levels. In this regard particular attention was paid to helping develop integrated Development Plans for Municipalities.
• Information and strategic planning support was provided to provincial government departments, district and local municipalities, trade unions, NGO’s and other social partners.
• An institutional capacity building and mentoring programme was developed within ECSECC to develop it into a centre of excellence in applied policy research, development planning and knowledge management.

The results of the entities operations are more fully disclosed in the financial statements and annual report.

FUNDING

The Government (Eastern Cape Office Of The Premier) provided administration and Programme subsidies to the value of R 5 900 000 (2002 : R 7 018 000) during the year under review.

EQUIPMENT AND FURNITURE

Equipment and furniture to the value of R 445 386 were acquired during the year.

DIRECTORS

The directors in office during the year under review comprise of:

EXECUTIVE DIRECTOR
Dr H.J. Ramharak

NON-EXECUTIVE DIRECTORS
Mr T.T. Gwanya
Mr I. Jim
Mr M. Jonas
Mrs S. Hugow
Mr P. Miles
Mr A. Mtsi
Mr S. Tuntubele
Dr M. Tom
Mr S. Sizani (Chairperson)
Mr P. Ntsangani (deceased)

AUDITOR
Klinkradt & Associates
11 Gloucester Road
Vincent
East London
Expenditure Charts
for the year financial year ended 2002 / 2003

Complete audited financial statements are available to interested parties on request.