

**INTERNATIONAL TRADE ADMINISTRATION
COMMISSION OF SOUTH AFRICA
ANNUAL PERFORMANCE PLAN 2016/2017**

January 2016

FOREWORD BY MINISTER

The International Trade Administration Commission of South Africa (ITAC) is an important institution that was established in 2003 to foster economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Union Area by establishing an efficient and effective system for the administration of international trade.

The Department's core mandate is to facilitate and accelerate job creation across the economy. This mandate extends to the Department's work with ITAC, which is mandated to enable fair trade in support of inclusive growth. ITAC's core business functions, namely Tariff Investigations, Trade Remedies and Import and Export Control contribute to Government's goal to create new jobs and sustain existing jobs and also holding businesses to their commitments to create and sustain jobs.

We are piloting new, smart government approaches in the implementation of the National Infrastructure Plan, that utilise resources and skills across the public sector and entities. There are valuable lessons from this experience that can be used by ITAC to strengthen its monitoring systems and capacity to focus on the outcomes and impact of its work. In addition, the use of reciprocal obligations on applicants who request tariff relief, holds promise for better partnerships with the private sector on improved competitiveness, investment, expansion of industrial output and creation of jobs.

ITAC has tight turnaround times with regard to its investigations and responses to applications, which is often driven by the need of businesses. The Commission is making strides in creating an enabling environment for fair trade through the efficient and effective administration of its trade instruments. In the period ahead, it should focus on a further strengthening of technical capabilities to reflect ever greater pressures on trade authorities in the newer turbulent global environment.

I endorse ITAC's Annual Performance Plan for 2016/2017 and going forward, I look forward to seeing the Commission implementing its plan in the coming year.



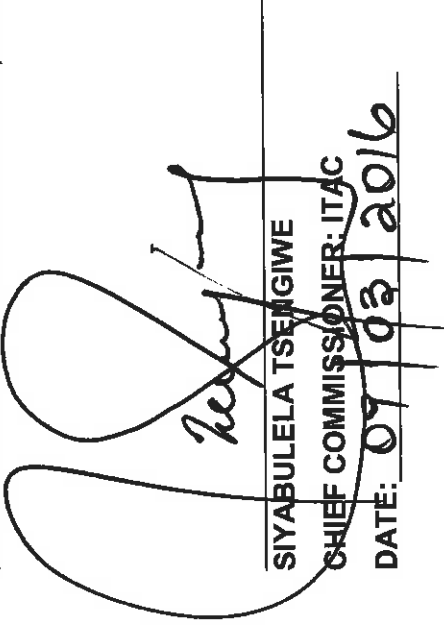
Ebrahim Patel
Minister of Economic Development
Executive Authority of ITAC

FOREWORD BY THE CHIEF COMMISSIONER

This Annual Performance Plan for 2016/17 has been developed by ITAC and identifies the key performance indicators and targets that the organisation will seek to achieve as outlined in its current Strategic Plan.

The Plan aims to enhance the interconnection between organisational goals and performance, enabling effective oversight.

ITAC is committed to the successful implementation of the Plan.



SIYABULELA TSENGIWE
CHIEF COMMISSIONER: ITAC
DATE: 09/03/2016

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- was developed by the management of ITAC under the guidance of the Chief Commissioner;
- was prepared in line with the current Strategic Plan of ITAC; and
- accurately reflects the performance targets which ITAC will endeavour to achieve given the resources made available in the budget for

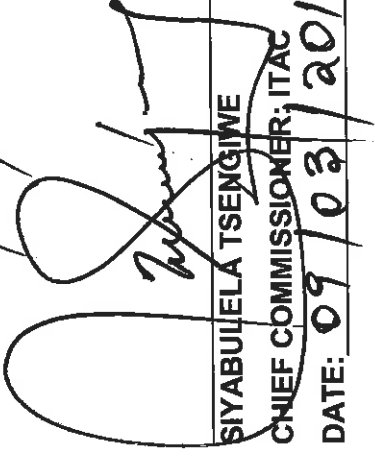
2016/17.



PHILLIP SEMELA

GENERAL MANAGER: CORPORATE SERVICES

DATE: 09/03/2016



SIYABULELA TSENGIWE

CHIEF COMMISSIONER: ITAC

DATE: 09/03/2016

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PART A: STRATEGIC OVERVIEW

1. SITUATIONAL ANALYSIS

The global and domestic economic environment within which ITAC executes its mandate continues to present challenges, in particular in relation to the tough global economic conditions and domestic cost pressures. In addressing these challenges, the alignment of ITAC to government's policy framework cannot be overemphasised. The National Development Plan (NDP) provides a long-term vision with implementation driven through the New Growth Path (NGP), the Industrial Policy Action Plan (IPAP) and the South African Trade Policy and Strategy Framework (South African TPSF). The NGP places employment creation at the centre of economic policy.

The global economic recovery has been weaker than anticipated. Along with the prospect of slower growth in developing countries, concerns about the resilience of China, and higher interest rates in the United States, this creates a difficult environment for South Africa. South Africa's GDP growth forecast for 2016 has been revised down to 0.9 per cent from an estimated 1.7 per cent at the time of the Medium Term Budget Policy Statement (MTBPS). GDP growth is expected to improve gradually from 1.7 per cent in 2017, reaching 2.4 per cent in 2018. The weaker outlook is the result of lower commodity prices, higher borrowing costs, diminished business and consumer confidence, and drought.

In its latest report, the International Monetary Fund (IMF) has revised downwards SA's economic growth forecast for 2016, citing electricity shortages as the main reason. The IMF cut the economic growth forecast for 2016 to 0.7% from 1.3%. Economic recovery in the United States is notable. Estimated growth in the European Union is 1.7 per cent for 2016 from 1.5 per cent in 2015. Growth in sub-Saharan Africa is projected to increase from 3.5 per cent in 2015 to 4.0 per cent in 2016. This augurs well for South African exports into Africa, in particular manufactured exports. According to the IMF report, six of the ten fastest growing economies globally in 2014 were in Africa. Similarly, African countries comprised four out of ten of the world's fastest growing economies in 2015 according to a report by the rating firm Moody's. Exports to African countries have shown a considerable increase in recent years. The global rebalancing of growth provides opportunities for South Africa to diversify beyond its traditional reliance on primary goods to manufactured exports with greater value addition, supported by the more competitive exchange rate. The sharp drop in oil prices will provide some relief this year to domestic industries in relation to cost pressures.

South Africa imports considerably more than it exports. However, exports have grown strongly in 2015, a welcome recovery after setbacks in mining and manufacturing in 2014. Exports grew by 10.6 per cent in the first three quarters of 2015, up from 2.6 per cent in 2014, supported by improved US and European demand, capacity expansion at a major auto exporter and the cumulative effects of exchange-rate depreciation. As a result, the current account deficit narrowed to 4 per cent of GDP in the first three quarters of 2015 from 5.4 per cent in 2014. To register lasting improvements in the current account balance, South Africa needs to lower the cost of doing business and build on the comparative advantages of local exports. The competitiveness gains of the last four years from a weaker currency cannot be taken for granted given similar trends in other developing economies.

It must be noted that the current global economic slowdown has meant that growth in China has also slowed down, affecting the South African economy through lower commodity prices and slower growth in trade. The diversification of trade towards the emerging economies has both opportunities and risks that have to be carefully managed. The fiercest import competition emanates from emerging economies, although lately the European Union has featured prominently in processed agricultural products in light of the full implementation of tariff liberalisation under the SA/EU trade agreement.

From experience, the vast majority of applications for tariff support and trade remedies are in respect of relatively low-priced imports originating in the emerging economies, especially East Asia. South Africa's participation in BRICS, in recognition of its role, among others, as a gateway to Africa and its natural resource endowments, provides domestic firms with an opportunity for increased access to fast-growing markets. In this regard, the role that ITAC plays in reducing the cost of production by considering on a case-by-case basis the reduction in duties on intermediate inputs into downstream and labour-intensive economic activities is pertinent. Equally important is tariff support, in particular for high value-added and labour-intensive sectors. However, tough global market conditions for some of the intermediate inputs including steel have seen exceptions where ITAC had to recommend tariff increases albeit subject to strong conditionalities and a monitoring mechanism.

The Industrial Policy Action Plan and South Africa's TPSP start from the premise that for sustainable growth and development, South Africa cannot solely rely on the export potential of its mineral resources and other commodities. South Africa must upscale its diversification into

manufactured goods for both the domestic and export markets. Consistent with IPAP and the TPSF, the NGP on the direction of trade policy, among others, advocates the promotion of value-added manufacturing. This has direct implications on how ITAC approaches tariff-setting for both upstream and downstream industries.

On the international trade terrain, with no agreement on tariff reductions or elimination in the “Bali Package”, pressure to reduce or eliminate ordinary customs tariffs through the multilateral channel has subsided. Regional and bilateral trade agreements appear to be on the rise. The importance of customs tariffs as industrial policy instruments remains and tariffs, in particular for high value-added and labour intensive industries continue to be a critical intervention to retain and create jobs. Trade policy instruments within the purview of ITAC that are gaining prominence and increased usage worldwide are trade remedies, in particular anti-dumping action. Improving competitiveness in the medium to long-term in an increasingly global competitive economy is of critical importance. Tariffs support must be complemented with addressing competitiveness constraints and sector strategies.

The “Bali Package”, as the agreement reached at the 9th WTO Ministerial Conference in Bali is referred to colloquially, covers 3 pillars. The first pillar is agriculture. Here the agreement addresses, among other things, the reform of export subsidies and the better implementation of the tariff quota commitments assumed in the Uruguay Round. The second pillar of the package is development. The agreement provides for a monitoring mechanism of the special and differential treatment provisions for developing countries which are contained in the various WTO multilateral texts. The agreement also provides for support measures for Least-Developed Countries. Finally, the Bali Package provides for trade facilitation measures. The Agreement on Trade Facilitation seeks to simplify and modernise customs procedures thereby expediting the movement and clearance of goods. The Agreement also provides technical support to help developing countries fully implement these reforms. There have been no direct implications for the work of ITAC in the “Bali Package”.

The WTO’s Tenth Ministerial Conference was held in Nairobi, Kenya, from 15 to 19 December 2015. The Conference resulted in agreements on a series of trade initiatives known as the “Nairobi Package” The Nairobi Package consists of six Ministerial decisions on some aspects of agriculture, cotton and issues related to least-developed countries. The Conference made a commitment to advance negotiations on the remaining Doha issues including work in all three pillars of agriculture, namely, domestic support, market access and export competition, as well as non-agriculture

market access, services, development, trade-related aspects of intellectual property rights (TRIPS) and rules. There is nothing at this stage in respect of the negotiations on multilateral trade-rules that has any serious implications for the core functions of ITAC. This ministerial represents only a small step forward in the Doha Round negotiations.

The most recent trend in the use of trade-restrictive measures by South Africa's trading partners among the G20 member countries amounts to a mixed bag. On the other hand, the imposition of new measures during the latest period reviewed by the most recent WTO report on trade measures shows a slight deceleration, while the stockpile of trade-restrictive measures imposed since 2008 continues to rise. Although voicing the need for continued vigilance in the area of the stockpiling of measures, WTO Director-General Roberto Azevêdo expressed muted optimism in light of the introduction of an increasing number of trade-liberalising measures (16 per month during the reporting period) and the lowest level of adoption of trade-restrictive measures since 2013. It may well be that countries are resorting to more sophisticated forms of protection including non-tariff barriers.

Looking at the 13th WTO/OECD/UNCTAD Reports on G20 Trade and Investment Measures, which covered the period from mid-October 2014 to mid-May 2015, a total of 119 new trade restrictive measures were put in place during the 7-month period examined. This compares with 93 new measures imposed during the reporting period of the previous (12th) Report (mid-May 2014 to mid-October 2014) and 112 measures imposed during the reporting period of the 11th Report (mid-November 2013 to mid-May 2014). Importantly, because of the different lengths in reporting periods, the 119 trade-restrictive measures represent an average of 17 measures per month for the reporting period of the 13th Report as against an average 18.6 measures per month for the reporting period of the 12th Report and 18.7 per month for the reporting period of the 11th Report. Although trade remedy actions continue to represent the majority of measures (60%) used by G20 member countries, the trade covered by such measures remains relatively small. The areas most affected by trade remedy and other trade-restrictive measures were, in order of importance, mineral fuels and oils, iron and steel, animal or vegetable fats and oils, electrical machinery and parts thereof. Considering only trade remedy measures (number of initiations), the sectors most affected were metals (36%), followed by chemicals (26%), plastics/rubber (12%), pulp/paper (7%) and machinery (5%).

Measure type	May '11 to mid-Oct '11	mid-Oct '11 to mid-May '12	mid-May '12 to mid-Oct '12	mid-Oct '12 to mid-May '13	mid-May '13 to mid-Nov '13	mid-Nov '13 to mid-May '14	mid-May '14 to mid-Oct '14	Mid-Oct '14 to mid-May '15
Trade Remedy	44	66	46	67	70	66	54	71
Import	36	39	20	29	36	25	25	32
Export	19	11	4	7	8	17	9	10
Other	9	8	1	6	2	4	5	6
Total	108	124	71	109	116	112	93	119
Average per month	18.0	17.7	14.2	15.6	19.3	18.7	18.6	17.0

Source: WTO/OECD/JUNCTAD Reports on G20 Trade and Investment Measures (12 June 2015), page 17

One of the central aims of the NGP is to build a lower carbon-emission economy and in making a contribution to this objective ITAC has embarked on an analysis of the tariff regime for green goods with a view to identifying opportunities and challenges. The analysis has shown that for the vast majority of green goods produced domestically, there is tariff support already. However ITAC made a request to the South African Revenue Service (SARS) for further disaggregation of the classification of green goods for more effective trade monitoring and decision making. SARS has now created tariff sub-headings for a number of green goods for which dedicated tariff lines did not exist. The monitoring of trade flows in respect of the green goods has commenced and a report will be produced this year.

Looking at the trend of tariff increases since the establishment of ITAC in 2003 up to 2014, it can be observed that, from 2003 to 2008, there was a downward trend in tariff increases and this is explained by government's policy approach and the relative good economic conditions globally and domestically at the time. From 2009, an upward trend in tariff increases was evident as a result of the negative effects of the global economic crisis, domestic cost pressures and the shift towards developmental trade policies. The year 2012/13 saw the highest number of tariff increases since 2003. The total number of product specific tariff increases was nine in 2012/13, declining to six in 2013/14. For the year 2014/15 there were nine individual product tariff increases. It must be taken into account that in terms of the current tariff structure, many industrial goods that would

have warranted tariff support, including sensitive sectors, are already protected at bound rates or closer to bound rates. However, for agricultural goods, although there is still much policy space between applied and bound rates, any increases must take into account the overall objective of food security.

In light of the weak global economic conditions and low economic growth forecast for South Africa, ITAC will continue to consider tariff support and trade remedies to domestic producers. These tough economic conditions require flexibility on the part of the Commission in addressing possible trade imbalances, failing which there will be adverse consequences for domestic producers and jobs. Conditionalities attached to tariff support are continuously strengthened through monitoring, reviews and impact assessments.

The Commission follows a developmental approach to tariff setting for both agricultural and industrial goods. It is neither a rigid blanket increase nor blanket reduction in tariffs. Tariffs are instruments of industrial policy. The Commission's recommendations are evidence-based and conducted on a case-by-case basis and will be influenced by any trade policy directive issued by the Executive Authority. The focus is on the outcomes: increased domestic production, investment, job retention and creation, as well as international competitiveness. In the 5th Administration, ITAC is placing more focus on measuring the outcomes of its interventions.

The flow of the domestic industry applications for tariff amendments and trade remedies to ITAC fluctuates over time and is influenced, among other things, by global price movements of products and changes in the exchange rate. The volatility of the rand continues to pose serious difficulties for producers of tradable goods. The increased global price levels of food have serious implications for tariff setting, especially when considering applications to increase customs duties for the agricultural sector. On the one hand, the Commission must support a sustainable agricultural sector, but on the other hand ITAC must guard against undue price-raising effects of import tariffs throughout the value chain, in particular on staple foods.

There are three trade remedy instruments, namely anti-dumping duties, countervailing duties, and safeguard measures. Of these three, anti-dumping is the most frequently invoked, both globally and in South Africa. In the years 1995 to 2011, the Commission initiated 13 countervailing investigations, in comparison to the 216 anti-dumping investigations initiated and in the years 2007 to 2011, the Commission initiated two

countervailing investigations. Since 2012, more interest has been shown in the countervailing instrument and four new applications have been received from industry. Although only one safeguard investigation, on lysine, has been conducted since 2003, more interest has been shown in this instrument since 2012. One investigation on frozen potato chips was initiated in 2013. Two, on chicory and graphite electrodes, were declined and one, on olive oil, has been submitted to ITAC by industry. With regard to anti-dumping, in contrast to the decreasing trend up to 2011, an increased number of applications have been received since 2012. Seven new trade remedy investigations were initiated in 2012/2013 whereas in 2013/14 it was four. Although the anti-dumping instrument is still prominent, applications for all three instruments have shown an increase since 2012.

Import control measures or restrictions in a more globally integrated economy are limited to those allowed under the relevant World Trade Organization (WTO) Agreements. Import control measures are essentially for health, safety, environmental and strategic reasons. In this regard, ITAC makes a contribution to the green economy. In the enforcement of standards and the curbing of illegal and fraudulent trade, ITAC has positioned itself to play a more strategic role with regard to import and export control measures, and enforcement. Minerals beneficiation has been identified as one of the areas where jobs will be created and this will require an alignment of ITAC's export control measures to give support to beneficiation. ITAC has strengthened its export control measures on scrap metal through the introduction of a price preference system to promote investment and employment opportunities in the domestic metals beneficiation and fabrication industries. This followed a policy directive by the Minister of Economic Development aimed at enabling affordable access to quality scrap metal by the consuming industry. Since ITAC administers such a system for the first time, the focus has been on ensuring its effective administration and on managing litigation. There are signs of positive effects of the price preference system and a full impact assessment study will commence towards the end of this financial year.

These dynamics that characterise the environment in which ITAC operates, raise a critical question on how ITAC positions itself for the future. The NDP, the Medium Term Strategic Plan, the NGP, IPAP and South Africa's TPSF, inform the policy direction of ITAC.

Given its mandate and the global and domestic environmental trends, ITAC has managed to adapt and renew itself in response to current and complex challenges. This strategic plan endeavours to position ITAC for continued relevance. ITAC, in light of the institutional information and knowledge accumulated from its trade instruments in the form of product specific investigations and the administration of the Automotive

Productive and Development Programme (APDP), is positioned to make contributions to the successful implementation of industrial policy. ITAC will continue to provide technical advice on its instruments in trade negotiations. In addition, in the context of the work on the NGP, ITAC has now started building capacity to engage in monitoring trade flows, carrying out impact assessments, identifying opportunities and threats through the establishment of the Office of the Chief Economist. The work on impact assessments has commenced. This is a logical evolution of ITAC's role in its alignment with the Economic Development Department's objectives. This has led to the recognition that, in addition to providing trade instruments in reaction to industry applications, ITAC has to be more explicit and proactive in the technical advice that it provides on the implementation of trade policy. The proactive initiatives that ITAC must embark upon in the coming years cover all the three core functions and are aimed at more creative and innovative ways of dealing with unfair trade and imbalances.

The renewed role of ITAC will require a research capacity that goes beyond ITAC's traditional method of research used in investigations in response to applications. In enhancing the research capacity of ITAC, the management of information and knowledge is critical. Information and communication technology is ever-changing and advancing. ITAC should take advantage of these changes to enhance its information and knowledge management as well as external communication. ITAC must be reputable and respected for being a knowledge-based institution. In this regard, ITAC will raise its efforts to build technical and strategic capacities that are vital in providing guidance to economic actors. Its organisational development project has to be given attention in order to meet increased demands and to remain responsive to the changing environment. The Ministry of Economic Development has called on ITAC to utilise existing capacity in the state and public institutions, as part of building integrated smart government.

2. REVISION OF LEGISLATIVE AND OTHER MANDATES

There has been no significant change to ITAC's legislative and other mandates since the strategic plan was compiled. However it's worth noting that the policy directive on regulating the exportation of scrap metal has expanded the scope of work in the import and export control unit. Also, the tariff investigations regulations have been amended to provide greater clarity regarding the Commission's tariff amendment investigative processes.

3. OVERVIEW OF 2016/17 BUDGET AND MTEF ESTIMATES

3.1 Expenditure Estimates

Program/ Objective	Audited outcome			Revised Estimate	Medium-term estimate		
	2012/2013	2013/14	2014/15		2016/17	2017/18	2018/19
R thousand							
Administration	39 546	40 946	40 243	35 650	35 436	44 765	47 003
Tariff Investigations	16 995	20 877	22 208	23 618	24 756	26 149	27 655
Trade Remedies	10 042	12 527	14 744	15 593	16 647	17 479	18 621
Import & Export Control	7 853	8 551	9 954	11 445	11 855	12 450	13 399
Total expense	74 436	82 901	87 149	86 306	88 694	100 843	106 678

Statement of financial performance	Audited outcome			Revised estimate	Medium-term estimate		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
R thousand							
Revenue							
Non-tax revenue	1 964	2 241	2 088	1 605	1 693	1 778	1 867
Other non-tax revenue	1 964	2 241	2 088	1 605	1 693	1 778	1 867
Transfers received	74 403	79 770	85 061	84 701	87 001	99 065	104 811
Total revenue	76 367	82 011	87 149	86 306	88 694	100 843	106 678

Expenses	Audited outcome			Revised estimate	Medium-term estimate		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Current expenses	74 436	82 901	87 149	86 306	88 694	100 843	106 678
Compensation of employees	55 199	61 109	66 164	71 484	74 665	78 642	83 299
Goods and services	17 838	20 744	19 279	13 588	12 886	20 896	22 010
Depreciation	1 308	1 017	1 559	1 079	1 039	1 196	1 255
Interest, dividends and rent on land	91	31	147	155	104	109	114
Total expenses	74 436	82 901	87 149	86 306	88 694	100 843	106 678
Surplus/(Deficit)	1931	(890)	-	-	-	-	-

3.2 Relating expenditure trends to strategic goals

The above budget and MTEF allocations contribute to the achievement of ITAC's legislative mandate and its three strategic goals, namely:

- a. Ensure contribution to employment creating growth and development through effective delivery of international trade instruments.
- b. Ensure strategic alignment with and continued relevance to the Economic Development Department and the national agenda, particularly the New Growth Path.
- c. Ensure organisational efficiency and effectiveness of ITAC.

ITAC is structured into 3 core business functions, namely Tariff Investigations; Trade Remedies; and Import and Export Control. These functions are supported by the Business Support Services Branch. ITAC has an approved staff complement of 131 employees in order to fulfil its mandate. It is important to note that 75% of the budget is for employees' costs while the remaining balance (25%) is for goods and services.

4. STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS AND ANNUAL TARGETS

Strategic Outcome Oriented Goal 1 Goal Statement 1.1		Contribute to employment creating growth and development						
		Effective administration of trade instruments, customs tariffs, trade remedies and import and export control.						
STRATEGIC OBJECTIVE 1		PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
Anti-Dumping Investigations:								
Investigations under consideration	Turnaround times of Anti-Dumping investigations	No preliminary determinations were made within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.
New investigations initiated	Turnaround time from acceptance of properly documented application to initiation of Anti-Dumping investigation	No final determinations were made within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.
		New indicator	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.
Countervailing Investigations:								
Investigations under consideration	Turnaround times of Countervailing investigations	No preliminary determinations made in countervailing investigations.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.
New investigations initiated	Turnaround time from acceptance of properly documented application to initiation of Countervailing investigation	No final determinations made in countervailing investigations.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.
		New indicator	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.
Sunset Review Investigations:								
Investigations under consideration	Turnaround times of Sunset Review investigations	50% of determinations were made within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.

Contribute to employment creating growth and development							
Effective administration of trade instruments: customs tariffs, trade remedies and import and export control.							
STRATEGIC OBJECTIVE 1	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	QUARTERLY TARGETS			
				ANNUAL TARGET	QUARTER 1	QUARTER 2	QUARTER 3
	New investigations initiated	Turnaround time from acceptance of property documented application to initiation of Sunset Review investigation	New Indicator	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.
	Safeguard Investigations:						
	Investigations under consideration	Turnaround times Safeguard investigations	100% of Preliminary determinations were made within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.	80% of Preliminary determination within 6 months of initiation.
	New investigations initiated	Turnaround time from acceptance of property documented application to initiation of Safeguard investigation	100% of Final determinations were made within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.	80% of Final determinations within 10 months of initiation.
	Customs Tariff Reduction Investigations:						
	Investigations under consideration	Turnaround times of Customs Tariff Reduction Investigations	New Indicator	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.	80% of properly documented application accepted initiated within 2 months.
	Customs Tariff Increase Investigations:						
	Investigations under consideration	Turnaround times of Customs Increase Investigations	100%	80% of the final decision within 6 months.	80% of the final decision within 6 months.	80% of the final decision within 6 months.	80% of the final decision within 6 months.
	Customs Tariff Rebates Investigations:						
	Investigations under consideration	Turnaround times of Customs Tariff Rebate Investigations	13%	80% of the final decision within 6 months.	80% of the final decision within 6 months.	80% of the final decision within 6 months.	80% of the final decision within 6 months.
	Customs Duty Rebate and Drawback permits						
	Rebate and drawback permits	Turnaround times of Customs Duty Rebate and Drawback Permits	95%	80% of the permits issued within 2 weeks.	80% of the permits issued within 2 weeks.	80% of the permits issued within 2 weeks.	80% of the permits issued within 2 weeks.

Contribute to employment creating growth and development							
Strategic Outcome Oriented Goal 1 Goal Statement 1.1	Effective administration of trade instruments: customs tariffs, trade remedies and import and export control.						
	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	QUARTERLY TARGETS			
				ANNUAL TARGET	QUARTER 1	QUARTER 2	QUARTER 3
STRATEGIC OBJECTIVE 1	Automotive Production Development Programme (APDP)						
	Eligible Production Certificates (EPCs)	Turnaround times of EPCs	100%	80% of the certificates issued within 10 days after technical working group or factory visit and all outstanding information is submitted.	80% of the certificates issued within 10 days after technical working group or factory visit and all outstanding information is submitted.	80% of the certificates issued within 10 days after technical working group or factory visit and all outstanding information is submitted.	80% of the certificates issued within 10 days after technical working group or factory visit and all outstanding information is submitted.
	Production Rebate Certificates (PRCCs)	Turnaround times of PRCCs	94%	80% of the certificates issued within 30 days.	80% of the certificates issued within 30 days.	80% of the certificates issued within 30 days.	80% of the certificates issued within 30 days.
	APDP Verifications conducted to ensure compliance to the programme	Turnaround times of APDP Verifications	99%	80% of the verifications completed within 3 months.	80% of the verifications completed within 3 months.	80% of the verifications completed within 3 months.	80% of the verifications completed within 3 months.
	Import Control Permits						
	Import Control Permits	Number of import control permits issued	18 454	4 000	4 000	4 000	4 000
	Export Control Permits						
	Export Control Permits	Number of export control permits issued	14 181	3 000	3 000	3 000	3 000
	Enforcement of Import and Export Control Permit Conditions:						
	Inspections and investigations	Number of Scheduled Import and Export Permit inspections	792	500	125	125	125
Number of Unscheduled Import and Export Control Permit inspections		563	500	125	125	125	125
Number of Import and Export Control Investigations		36	20	5	5	5	5

Strategic Outcome Oriented Goal 2		Ensure strategic alignment and continued relevance to Economic Development Department and the national agenda, particularly the New Growth Path						
Goal Statement 2.1		Provision of technical advice in respect of tariffs, trade remedies and import and export control to Economic Development Department and the dti.						
STRATEGIC OBJECTIVE 2	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET	QUARTERLY TARGETS			
					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
To ensure strategic alignment with and continued relevance to the Economic Development Department and the national agenda, particularly the New Growth Path	Participation in the dti's negotiations	Input finalised and presented to the dti. Participation in the dti's multilateral engagements.	ITAC provided 100% of dti multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.
	Participation in the dti's bilateral negotiations	Input finalised and presented to the dti. Participation in the dti's bilateral engagements.	ITAC provides 100% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.
	Technical advice provided regarding international trade instruments	Participate in strategic departmental agency meetings providing technical inputs as requested.	More than 5 engagements for all the units.	8 engagements for Tariff, Investigations Unit, Trade Remedies Unit, 8 engagements for Import and Export Unit.	2 engagements for Tariff, Investigations Unit, Trade Remedies Unit, 2 engagements for Import and Export Unit.	2 engagements for Tariff, Investigations Unit, Trade Remedies Unit, 2 engagements for Import and Export Unit.	2 engagements for Tariff, Investigations Unit, Trade Remedies Unit, 2 engagements for Import and Export Unit.	2 engagements for Tariff, Investigations Unit, Trade Remedies Unit, 2 engagements for Import and Export Unit.

Ensure organisational efficiency and effectiveness of ITAC									
Strategic Outcome Oriented Goal 3	Development and review of policies and regulations in respect of tariffs, trade remedies and import and export control.								
	Goal Statement 3.1	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET	QUARTERLY TARGETS			
QUARTER 1						QUARTER 2	QUARTER 3	QUARTER 4	
STRATEGIC OBJECTIVE 3	Reviewed Trade Remedies Policy and Regulations	Reviewed Policy and/or Regulations submitted to Minister of Economic Development for approval	Prepared first Draft of Safeguard Regulations and had internal consultations.	Safeguard Regulations finalised and submitted to the Minister for approval.	Finalise the first Draft of reviewed Safeguard Regulations.	Internal consultations on first Draft of reviewed Safeguard Regulations.	External consultations on first Draft of reviewed Safeguard Regulations.	Safeguard Regulations submitted to the Minister for approval.	
	Reviewed Import and Export Control Policy and Regulations	Reviewed Import Control and/or Export Regulations submitted to Minister of Economic Development for approval	Reviewed the export policy and guidelines, which were approved by the Minister.	This target is subject to policy directive from EDD\Other National departments.	This target is subject to policy directive from EDD\Other National departments.	This target is subject to policy directive from EDD\Other National departments.	This target is subject to policy directive from EDD\Other National departments.	This target is subject to policy directive from EDD\Other National departments.	
	Ad - hoc research papers (Reviewed Import and Export Control)	Finalised research papers submitted to Chief Commissioner for approval	Finalised the Research project on Local Manufacture of Welding equipment of which its outcome was approved by the Chief Commissioner for implementation	1	0	0	0	1	
	Conduct impact assessments of ITAC's instruments	Reports presented to relevant stakeholders and the final annual consolidated impact evaluation report submitted to EDD and the dti.	This is a new indicator.	3 product specific impact assessments	0 Impact assessment report, based on ITAC support.	2 Impact assessment reports, based on ITAC support.	1 Impact assessment reports, based on ITAC support.	Approved Final consolidated Impact Evaluation Report, based on ITAC support submitted to EDD and the dti.	
	Trade Monitoring reports	Annual and quarterly Trade Monitoring Report.	This is a new indicator.	Annual and quarterly Trade Monitoring Reports.	Quarter 1 Trade Monitoring Report.	Quarter 2 Trade Monitoring Report.	Quarter 3 Trade Monitoring Report.	Quarter 4 Trade Monitoring Report.	

Ensure organisational efficiency and effectiveness of ITAC									
Development and review of policies and regulations in respect of tariffs, trade remedies and import and export control.									
STRATEGIC OBJECTIVE 3									
STRATEGIC OBJECTIVE 3.1									
STRATEGIC OBJECTIVE 3.1									
OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4		
Strengthen systems on reciprocal commitments by tariff adjustment beneficiaries on new investment, job creation and industrial expansion.	Bi-Annual report on the performance of the selected sector against reciprocal commitments by tariff adjustment beneficiaries on new investment, job creation and industrial expansion.	This is a new indicator.	Bi-Annual report on the performance of the selected sector against reciprocal commitments by tariff adjustment beneficiaries on new investment, job creation and industrial expansion.	Government Notice on the establishment of a Committee of the monitor reciprocal commitments by Steel Industry	Report 1 on the performance of the selected sector against reciprocal commitments by tariff adjustment beneficiaries on new investment, job creation and industrial expansion.	Not applicable in this quarter.	Report 2 on the performance of the selected sector against reciprocal commitments by tariff adjustment beneficiaries on new investment, job creation and industrial expansion.		
Provide for improved systems to monitor and regulate scrap metal exports as part of government's action to reduce theft of metal and cables from the country's infrastructure system	Effective actions that contribute to better export management of scrap metal.	This is a new indicator.	Effective action that contributes to reduced trade in uninspected scrap metal consignment.	Finalisation of measures agreed to within the state.	Implementation of agreed action.	Implementation of agreed action.	Assessment report on agreed actions.		
Effective administration of scrap metal price preference system to achieve intended objectives, as well as successfully opposing litigation against the system	Reports (Bi-Annual) on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	This is a new indicator.	Reports (Bi-Annual) on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	Not applicable in this quarter.	Report 1 on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	Not applicable in this quarter.	Report 2 on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.		

5. ANNEXURE A: STRATEGIC PLAN (15/16 – 19/20) AMENDMENTS

According to the Framework, Strategic Plans should cover a period of at least five years, ideally from the first planning cycle following an election. The Strategic Plan may be changed during the five-year period that it covers. However, such changes should be limited to revisions related to significant policy shifts or changes in the service-delivery environment. This is done by the relevant institution by issuing an amendment to the existing plan, which may be published as an annexure to the Annual Performance Plan, or by issuing a revised Strategic Plan.

The following amendments in relation to targets were made to the current strategic plan:

a) Strategic Objective 1

i. Customs Tariffs

Strategic Outcome Oriented Goal 1		Contribute to employment creating growth and development								
Goal Statement 1.1		Effective administration of trade instruments: customs tariffs, trade remedies and import and export control.					ANNUAL TARGET			
STRATEGIC OBJECTIVE 1	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	QUARTERLY TARGETS				Comments		
				15/16	16/17	17/18	18/19		19/20	
To ensure contribution to employment creating growth and development through effective delivery of international trade instruments	Automotive Production Development Programme (APDP)			80% of the certificates issued within 10 days after receiving notification from Automotive Industry Development Center (AIDC) client final reaction/ Final date if no reaction from the client and authorised for future years, certificates to be issued not later than the end of the second month in which the certificate is valid.	N/A	N/A	N/A	N/A	N/A	The PAA programme has been phased out.
	Productive Asset Allowance Certificates (PAAs)	Turnaround times of PAAs	55%							

ii. Import and Export Control Permits

Contributes to employment creating growth and development												
Effective administration of trade instruments: customs tariffs, trade remedies and import and export control.												
Strategic Outcome Oriented Goal 1	Goal Statement 1.1	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET					Comments		
					15/16	16/17	17/18	18/19	19/20			
To ensure contribution to employment creating growth and development through effective delivery of international trade instruments	STRATEGIC OBJECTIVE 1	Import Control Permits										
		Import Control Permits	Number of import control permits issued	17332	13500	16000	16000	16000	16000	16000	16000	Annual Targets were increased from 13500 to 16000 from 16/17 onwards.
		Export Control Permits										
		Export Control Permits	Number of export control permits issued	10013	7500	12000	12000	12000	12000	12000	12000	Annual Targets were increased from 7500 to 12000 from 16/17 onwards.
		Enforcement of Import and Export Control Permit Conditions:										
		Inspections and investigations	Number of Scheduled Import and Export Permit inspections	710	500	125	125	125	125	125	125	No amendments were made.
Number of Unscheduled Import and Export Permit inspections	519			500	125	125	125	125	125	125	No amendments were made.	
	Number of Import and Export Control Investigations			17	16	20	20	20	20	20	20	Annual Targets were increased from 16 to 20 from 16/17 onwards.

b) Strategic Objective 2

Strategic Outcome Oriented Goal 2 Goal Statement 2.1		Ensure strategic alignment and continued relevance to Economic Development Department and the national agenda, particularly the New Growth Path							
Strategic Objective 2		Provision of technical advice in respect of tariffs, trade remedies and import and export control to Economic Development Department and the dti.							
Strategic Objective 2	Output	Performance Indicators	Baseline Target	Annual Target					Comments
				15/16	16/17	17/18	18/19	19/20	
To ensure strategic alignment with and continued relevance to the Economic Development Department and the national agenda, particularly the New Growth Path	Participation in the dti's multilateral negotiations	Input finalised and presented to the dti. Participation in the dti's multilateral engagements.	ITAC staff provided input and attended 100% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	ITAC staff provides input into and attend 80% of dti arranged multilateral engagements.	The change is cosmetic to ensure that the output, performance indicator and the annual targets are aligned.
	Participation in the dti's bilateral negotiations	Input finalised and presented to the dti. Participation in the dti's bilateral engagements.	ITAC staff provides input into and attend 100% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	ITAC staff provides input into and attend 80% of the dti arranged bilateral engagements.	The change is cosmetic to ensure that the output, performance indicator and the annual targets are aligned.
	Technical advice provided regarding international trade instruments	Participate in strategic departmental and agency meetings providing technical inputs as requested.	More than 5 engagements for all the units.	5 engagements for Tariff, Investigations Unit 5 engagements for Trade Remedies Unit. 5 engagements for Import and Export Unit.	8 engagements for Tariff, Investigations Unit 8 engagements for Trade Remedies Unit. 8 engagements for Import and Export Unit.	8 engagements for Tariff, Investigations Unit 8 engagements for Trade Remedies Unit. 8 engagements for Import and Export Unit.	8 engagements for Tariff, Investigations Unit 8 engagements for Trade Remedies Unit. 8 engagements for Import and Export Unit.	8 engagements for Tariff, Investigations Unit 8 engagements for Trade Remedies Unit. 8 engagements for Import and Export Unit.	8 engagements for Tariff, Investigations Unit 8 engagements for Trade Remedies Unit. 8 engagements for Import and Export Unit.

c) Strategic Objective 3

Strategic Outcome Oriented Goal 3 Goal Statement 3.1		Ensure organisational efficiency and effectiveness of ITAC Development and review of policies and regulations in respect of tariffs, trade remedies and import and export control.							
STRATEGIC OBJECTIVE 3	OUTPUT	PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET					
				15/16	16/17	17/18	18/19	19/20	Comments
To ensure organisational efficiency and effectiveness of ITAC	Conduct impact assessments of ITAC's instruments	Reports presented to relevant stakeholders and the final annual consolidated impact evaluation report submitted to EDD and the dti.	This is a new indicator.	5 product specific impact assessments	3 product specific impact assessments	3 product specific impact assessments	3 product specific impact assessments	3 product specific impact assessments	Tariffs were standardised to 3 annually for the duration of the strategic plan. This is due to data limitation. Most firms do not keep their records in a way that ITAC requires. However, ITAC is starting to build its own database.
	Strengthen systems on reciprocal commitments by tariff adjustment beneficiaries on new investment, job creation and industrial expansion.	Bi-Annual report on the performance of the selected sector against reciprocal commitments by beneficiaries on new investment, job creation and industrial expansion.	This is a new indicator.	Bi-Annual report on the performance of the selected sector against reciprocal commitments by beneficiaries on new investment, job creation and industrial expansion.	Government Notice on the establishment of a Committee of the Commission to monitor reciprocal commitments by Steel Industry	Report 1 on the performance of the selected sector against reciprocal commitments by beneficiaries on new investment, job creation and industrial expansion.	Not applicable in this quarter.	Report 2 on the performance of the selected sector against reciprocal commitments by beneficiaries on new investment, job creation and industrial expansion.	This indicator was included after the Minister's inputs in ITAC's 2016/17 APP.
	Provide for improved systems to monitor and regulate scrap metal exports as part of government's action to reduce theft of metal and cables from the country's infrastructure system	Effective actions that contribute to better export risk management of scrap metal.	This is a new indicator.	Effective action that contributes to reduced trade in uninspected scrap metal consignment.	Finalisation of measures agreed to within the state.	Implementation of agreed action.	Implementation of agreed action.	Assessment report on agreed actions.	This indicator was included after the Minister's inputs in ITAC's 2016/17 APP.

Ensure organisational efficiency and effectiveness of ITAC									
Strategic Outcome Oriented Goal 3		Development and review of policies and regulations in respect of tariffs, trade remedies and import and export control.							
Goal Statement 3.1		PERFORMANCE INDICATORS	BASELINE TARGET	ANNUAL TARGET			Comments		
OUTPUT	15/16			16/17	17/18	18/19		19/20	
STRATEGIC OBJECTIVE 3	Effective administration of scrap metal price preference system to achieve intended objectives, as well as successfully opposing litigation against the system	Reports (Bi-Annual) on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	This is a new indicator.	Reports (Bi-Annual) on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	Not applicable in this quarter.	Report 1 on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	Not applicable in this quarter.	Report 2 on the administration of scrap metal price preference system to achieve intended objectives, as well as litigation outcomes against the system.	This indicator was included after the Minister's inputs in ITAC's 2016/17 APP.

e) Linking Budget and Strategic Objectives

ITAC is structured into 3 core business programmes, namely Tariff Investigations; Trade Remedies; and Import and Export Control. In order to achieve its strategic objectives, the budget has been allocated according to programmes per strategic objective. The cost allocated to administration is applicable across all three strategic objectives. This is reflected in the tables below:

i. Administration

All Strategic Objectives							
Strategic Objective 1	Audited outcome			Revised Estimate	Medium-term estimate		
R thousand	2012/2013	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Administration	39 546	40 946	40 243	35 650	35 436	44 765	47 003
Total expense	39 546	40 946	40 243	35 650	35 436	44 765	47 003

ii. Strategic Objective 1

Strategic Objective 1: To ensure contribution to employment creating growth and development through effective delivery of international trade instruments							
Strategic Objective 1	Audited outcome			Revised Estimate	Medium-term estimate		
R thousand	2012/2013	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Tariff Investigations (SO1)	10197	12526.2	13324.8	14170.8	14853.6	15689.4	16593
Trade Remedies (SO1)	6025.2	7516.2	8846.4	9355.8	9988.2	10487.4	11172.6
Import & Export Control (SO1)	4711.8	5130.6	5972.4	6867	7113	7470	8039.4
Total expense (SO1)	20 934	25 173	28 144	30 394	31 955	33 647	35 805

iii. Strategic Objective 2

Strategic Objective 2: To ensure strategic alignment with and continued relevance to the Economic Development Department and the national agenda, particularly the New Growth Path							
Strategic Objective 2	Audited outcome			Revised Estimate	Medium-term estimate		
R thousand	2012/2013	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Tariff Investigations (SO2)	3399	4175.4	4441.6	4723.6	4951.2	5229.8	5531
Trade Remedies (SO2)	2008.4	2505.4	2948.8	3118.6	3329.4	3495.8	3724.2
Import & Export Control (SO2)	1570.6	1710.2	1990.8	2289	2371	2490	2679.8
Total expense (SO2)	6 978	8 391	9 381	10 131	10 652	11 216	11 935

iv. Strategic Objective 3

Strategic Objective 3: To ensure organisational efficiency and effectiveness of ITAC							
Strategic Objective 3	Audited outcome			Revised Estimate	Medium-term estimate		
R thousand	2012/2013	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Tariff Investigations (SO3)	3399	4175.4	4441.6	4723.6	4951.2	5229.8	5531
Trade Remedies (SO3)	2008.4	2505.4	2948.8	3118.6	3329.4	3495.8	3724.2
Import & Export Control (SO3)	1570.6	1710.2	1990.8	2289	2371	2490	2679.8
Total expense (SO3)	6 978	8 391	9 381	10 131	10 652	11 216	11 935