



EASTERN CAPE
LIQUOR BOARD



2024
2027

ANNUAL
PERFORMANCE
PLAN



EASTERN CAPE
LIQUOR BOARD



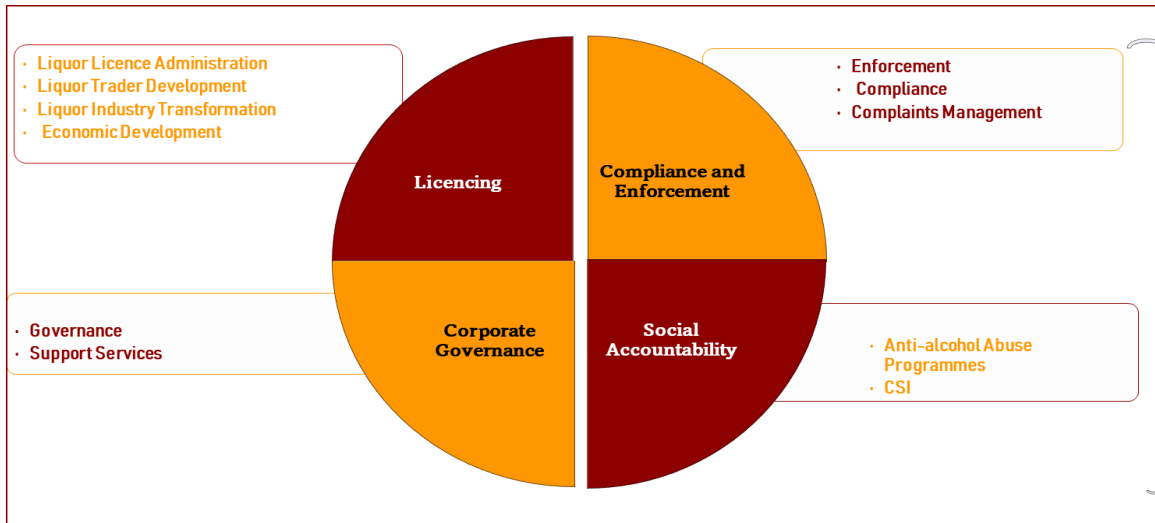
2024
2027

ANNUAL
PERFORMANCE
PLAN

Strategic Plan 2020-2025

ECLB Vision *is to be a liquor authority that strives for economic transformation and social cohesion*

Overview of the ECLB



Fast Facts about the ECLB – SUCCESSES

Licensing	Liquor Trader Development and Transformation	Social Accountability
<ul style="list-style-type: none"> Over 7000 registered liquor traders Over 90% licence renewal rate 	<ul style="list-style-type: none"> Formalisation of small unregistered liquor businesses e.g liquor outlets Establishment of liquor associations 	<ul style="list-style-type: none"> Over R 100k spent on SCI – sports development Over 50 000 school going youth reached ECLB School Ambassadors Programme; Anti-Pens Down programme

Fast Facts about the ECLB – CHALLENGES

Illegal Trading	Transformation	Alcohol Abuse
<ul style="list-style-type: none"> Growing unregistered liquor traders – revenue loss Noncompliance to licence conditions Increase in liquor outlet related incidents 	<ul style="list-style-type: none"> Limited transformation by big manufacturers 	<ul style="list-style-type: none"> Unemployment Underage and school going youth Gender-Based Violence and related social ills

Executive Authority Statement

It is with great pleasure and honour to present the 2024/27 Annual Performance Plan (APP) of the Eastern Cape Liquor Board (ECLB). The Eastern Cape Liquor Board is a 3C Entity under the Department of Economic Development and Environmental Affairs and Tourism, which operates in terms of the Eastern Cape Liquor Act of, 2003 and the Public Finance Management Act.

The 2024/2027 APP review represents the last and 5th review of the 5-year Strategic Plan. In developing this Annual Performance Plan (APP), we considered the Entity's strategic outcomes and set performance targets for the 2024/27 financial year. During the 2023/24 financial year, the Board reviewed the relevance and alignment of the Entity's strategies to support Government's priorities as well as the statutory obligations set out in the Eastern Cape Liquor Act.

ECLB's mandate is to ensure the registration of retail sales and micro-manufacturing of liquor in the province, encouraging and supporting the liquor industry as well as to manage and reduce the socio-economic and other costs of excessive alcohol consumption.

The 2024-2027 Annual Performance Plan reflects the shared strategic intent and targets of the ECLB that will also contribute to and catalyse the realization of the priorities set out in the five-year Strategic Plan. The focus of the Entity for 2024/27 includes the following:

- Strengthen collaborations with critical stakeholders enforcing compliance with liquor regulations.
- Strengthen the licensing processes to improve efficiencies.
- Ensuring the integrity of the liquor industry is maintained through strict enforcement of applicable legislation.
- Combat illegal liquor trading by investigating cases of illegal liquor trading and creating awareness about illegal liquor trading in collaboration with law enforcement agencies.
- Promote responsible alcohol harm reduction programmes in collaboration with other stakeholders to address the harm that might be caused by abuse of alcohol.
- Sustain good governance and maintain a clean audit outcome through the improvement of the internal processes, systems, and policies.
- Fundraising which is of critical importance as there is concern about institutional viability in the light of a shrinking budget. There is a need to identify strategic projects to leverage funding from the liquor industry and beyond.
- Forming strategic partnerships to drive transformation with (farmers, manufacturers, liquor traders' associations, communities, other departments etc).

The liquor industry contributes immensely to the economy, however it is equally important to recognise the dangers to society that are associated with the irresponsible use of alcohol. The increase in the accessibility and abuse of alcohol, especially by underage youth, remains a challenge not only for the Entity but also for the society at large, similarly, with the incidents at liquor outlets that result in the death of people, especially young and underage youth. It is important to realise that alcohol abuse is also a societal problem that necessitates all sectors of government, private sector and civil society to work together to find workable solutions. These further places a huge burden on government to find solutions to manage the use and availability of alcohol.

Mitigating the harmful effects of excessive consumption of alcohol and alleviating harmful effects of alcohol abuse through education and awareness programmes remains a key priority of the Entity. Positive outcomes from the initiatives that inform and educate young people about alcohol use and abuse such as the School Ambassadors and Anti-Pens Down programmes require the Entity to continue reinforcing related programs.

The 2024/27 APP is reviewed to adapt to the changing environment as well as to respond to policy directives and prioritising the economic recovery plans of the province. In order to give effect to the provincial MTSF priorities, the ECLB has identified three outcomes for the next five years namely:

- Economic transformation and job creation in the liquor industry
- Community protection from irresponsible liquor trading.
- Good corporate governance

The Entity will see the full implementation of the amended Eastern Cape Liquor Act, 2003 Regulations. The amendment of the Regulations will strengthen the issuance and compliance of licences especially in light of the recent liquor outlet incidents.

This plan complies with the requirements of Section 30 of the Treasury Regulations issued in terms of the Public Finance Management Act 1 of 1999 (PFMA). The Board undertakes to ensure that in the execution of its duties it complies with these and all other relevant pieces of legislation.

As the Accounting Authority, the Board is responsible for providing strategic direction and oversight function as mandated in terms of Section 49 (1) (a) of the PFMA).

The Eastern Cape Liquor Board herein humbly submits the draft Annual Performance Plan for the 2024/25-2026/27 MTEF in line with Chapter 5 of the Treasury Regulations issued in terms of the PFMA.



Mr M. Gobingca
Board Chairperson



Honourable G.M. Myoko
Member of Executive Council

Official Sign-Off

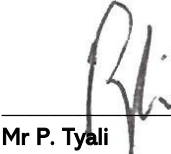
It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Eastern Cape Liquor Board under the guidance of Members of the Board and Department of Economic Development Environmental Affairs and Tourism.
- Considers all the relevant policies, legislation and other mandates for which the Eastern Cape Liquor Board is responsible.
- Accurately reflects the impact statements, outcomes and outcome indicators that the Eastern Cape Liquor Board will endeavour to achieve over the period 2024/25 to 2026/27.



Ms N. Tshetu

Official Responsible for Strategic Planning



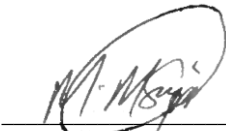
Mr P. Tyali

Senior Manager: Licensing



Mr Z. Tyikwe

Chief Inspector



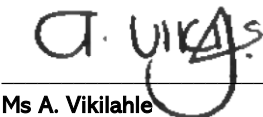
Dr M. Msiya

Senior Manager: Social Accountability



Ms L.L. Tini

Senior Manager: Corporate Services



Ms A. Vikilahle

Chief Financial Officer



Dr N. Makala

Chief Executive Officer

Approved



Mr M. Gobingca

Board Chairperson

CONTENTS

STRATEGIC PLAN 2025	2
EXECUTIVE AUTHORITY STATEMENT	3
OFFICIAL SIGN-OFF	5
LIST OF ABBREVIATIONS AND ACRONYMS.....	7
PART A: OUR MANDATE	9
1. CONSTITUTIONAL MANDATE.....	9
2. LEGISLATIVE MANDATE	9
3. POLICY MANDATE	10
4. RELEVANT COURT RULINGS.....	11
PART B: OUR STRATEGIC FOCUS	14
1. VISION.....	14
2. MISSION.....	14
3. VALUES.....	14
4. SITUATIONAL ANALYSIS	14
4.1 EXTERNAL ENVIRONMENT ANALYSIS	14
4.2. INTERNAL ENVIRONMENT ANALYSIS	21
PART C: MEASURING OUR PERFORMANCE	26
1. INSTITUTIONAL PERFORMANCE INFORMATION.....	27
2. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	29
3. BUDGET PROGRAMMES	31
4. ORGANISATIONAL KEY RISKS.....	53
PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDS)	56
ANNEXURE A: DISTRICT DEVELOPMENT MODEL.....	66
ANNEXURE B: AMMENDMENTS TO APP AND STRATEGIC PLAN.....	68
CHANGES TO BUDGET PROGRAMME.....	68

List of Abbreviations and Acronyms

AO	-	Accounting Officer
AG	-	Auditor-General
APP	-	Annual Performance Plan
BBBEE	-	Broad Based Black Economic Empowerment
BCMM	-	Buffalo City Metro Municipality
CAMY	-	Centre on Alcohol Marketing and Youth
CEO	-	Chief Executive Officer
CFO	-	Chief Financial Officer
CIPC	-	Companies Intellectual Properties Commission
CoGTA	-	Cooperative Governance and Traditional Affairs
COVID-19	-	Coronavirus disease of 2019
DEDEAT	-	Department of Economic Development Environmental Affairs and Tourism
DTI	-	Department of Trade and Industry
EC	-	Eastern Cape
ECLA	-	Eastern Cape Liquor Act
ECLB	-	Eastern Cape Liquor Board
ECLAA	-	Eastern Cape Liquor Authority Act
ECPTA	-	Eastern Cape Parks and Tourism Agency
FAS	-	Foetal Alcohol Syndrome
GBV	-	Gender Based Violence
GDP	-	Gross Domestic Product
HIV	-	Human Immunodeficiency virus
ICT	-	Information Communication and Technology
LTDP	-	Liquor Traders Development Programme
MEC	-	Member of the Executive Council
MTEF	-	Medium Term Expenditure Framework
MTSF	-	Medium Term Strategic Framework
NGO	-	Non-Governmental Organisation
NPA	-	National Prosecuting Authority
NDP	-	National Development Plan
NLF	-	National Liquor Forum
PAIA	-	Promotion of Administrative Information Act
PAJA	-	Promotion of Administrative Justice Act
PFMA	-	Public Finance Management Act
POE	-	Portfolio of Evidence
POPI	-	Protection of Personal Information Act
PPP	-	Public Private Partnership
SALGA	-	South African Local Government Association
SMME	-	Small Medium Micro Enterprise
WHO	-	World Health Organisation



EASTERN CAPE LIQUOR BOARD



**PART
A**

**OUR
MANDATE**

PART A: OUR MANDATE

1. Constitutional mandate

The mandate of the Eastern Cape Liquor Board is empowered by the provisions on Section 104 of the Constitution of the Republic of South Africa 1996, which gives exclusive provincial legislative competency on certain matters including those functional areas listed in Schedule 5 of the Constitution. Liquor licenses are listed in Schedule 5 which vests and confers on provincial government the mandate to regulate issuing of liquor licenses.

2. Legislative mandate

The ECLB is governed by the following pieces of legislation:

2.1 Liquor Act No.59 of 2003

This national Act seeks to establish national norms and standards to maintain economic unity within the liquor industry; to provide for the essential national standards and minimum standards required for the rendering of services; to provide for measures that promote co-operative governance in the area of liquor regulation; and to provide for matters connected therewith.

2.2 Eastern Cape Liquor Act No.10 of 2003

The Eastern Cape Liquor Board is established in terms of the Eastern Cape Liquor Act (Act 10 of 2003) to:

- Make provision for the registration of retail sales and micro-manufacturing of liquor in the province.
- Encourage and support the liquor industry.
- Manage and reduce the socio-economic and other costs of excessive alcohol consumption by creating an environment in which:
 - The entry of new participants into the liquor industry is facilitated.
 - Appropriate steps are taken against those selling liquor outside the regulatory framework.
 - Ensure that those involved in the liquor industry may attain and maintain adequate standards of service delivery.
 - Community considerations on the registration of retail premises are taken into account; and
 - The particular realities confronting the liquor industry in the province can be addressed.

2.3 Eastern Cape Liquor Authority Act No. 4 of 2018 (New Act)

A new enabling statute, the Eastern Cape Liquor Authority Act 4 of 2018, was passed and published in the Government Gazette on the 11th of March 2019. The said Act awaits proclamation to be brought into effect.

The objects of this Act are –

- (a) to give effect to the constitutional mandate of the province regarding the licensing, regulation and control of retail sale and micro-manufacturing of liquor.
- (b) to provide mechanisms that ensure the compliance and enforcement of this Act and the licence conditions.
- (c) to provide mechanisms aimed at reducing socio-economic and other effects of alcohol abuse.
- (d) to promote the development of a responsible and sustainable retail and micro-manufacturing liquor industry in a manner that facilitates -
 - (i) the entry of new participants into the industry;
 - (ii) diversity of ownership in the industry; and
 - (iii) an ethos of social responsibility in the industry

Whilst attending to the drafting of the Regulations, it was found that certain legislative provisions require amendment of the Eastern Cape Liquor Authority Act 4 of 2018 to ensure that it is fit for purpose when proclaimed into effect. Whilst the amendment process of the new Act is unfolding, the Regulations to the current Act 10 of 2003 will be amended to bolster the ECLB's legislative footing.

2.4 Other legislation

- Public Finance Management Act 1 of 1999 *as amended by Act 29 of 1999*,
- Promotion of Access to Information Act 2 of 2000,
- Promotion of Administrative Justice Act 3 of 2000,
- Protection of Personal Information Act 4 of 2013,
- Preferential Procurement Policy Framework Act 5 of 2000,
- Broad-Based Black Economic Empowerment Act 46 of 2013 *as amended by Act 46 of 2013*,
- Labour Relations Amendment Act 6 of 2014,
- Basic Conditions of Employment Amendment Act 20 of 2013,
- National Treasury Regulations,
- Companies Act 71 of 2008,
- National Disaster Management Act and its regulations, and
- Spatial Planning and Land Use Management Act 16 of 2013 and its regulations and municipal by-laws.

3. Policy Mandate

3.1 National Liquor Policy

The norms and standards provide guidelines within which provincial liquor authorities should establish their provincial legislations. The ECLB is charged with interpreting and implementing this policy at a Provincial level. The new legislation has taken into effect the guidelines of the Norms and Standards as published by the Department of Trade and Industry (DTI).

3.2 ECLB's Alignment with National, Provincial and DEDEAT priorities

The President of the sixth administration announced seven government priorities to drive the National Development Plan. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets and responsibilities to national and provincial departments, entities and municipalities.

The priorities are, economic transformation and job creation, education, skills and health, consolidating the social wage through reliable and quality basic services, spatial integration, human settlements and local government, social cohesion and safe communities, a capable, ethical and developmental state, a better Africa and world.

The table below shows the priorities at both National and Provincial level to which the ECLB will strive to contribute with its resources.

Table 1: National and Provincial Priorities

National Priority	Provincial priority	Key Integration Area	ECLB's contribution
1. Transformation and job creation	<ul style="list-style-type: none"> Innovative and inclusive growing economy 	<ul style="list-style-type: none"> Transformation programs, youth development, skills development & training Infrastructure, human settlements & broadband 	<ul style="list-style-type: none"> Facilitate the implementation of programmes geared towards the empowerment of marginalised liquor traders to: <ul style="list-style-type: none"> acquire business skills and knowledge, Diversify their businesses form liquor traders' cooperatives, form liquor traders' association register as liquor distributors register as liquor micro-manufacturers in order to move up the value chain in the liquor industry and trade responsibly. register their businesses from natural to juristic persons.
2. Social cohesion and safe communities	<ul style="list-style-type: none"> Human Development 	<ul style="list-style-type: none"> Social cohesion, moral regeneration, community safety & GBVF Non-Communicable Diseases, mental health & social determinants of health Transformation programs, youth development, skills development & training 	<ul style="list-style-type: none"> To work with law enforcement/security cluster partners to enforce compliance in the liquor industry and to clamp down on inconsiderate and illegal trading. Educate communities on the adverse effects of alcohol abuse.
3. A capable, ethical and developmental state	<ul style="list-style-type: none"> Capable democratic institutions 	<ul style="list-style-type: none"> Governance 	<ul style="list-style-type: none"> To ensure the ECLB conducts its business in a manner that is consistent with all principles of good corporate governance.

3.3 Updates to institutional policies and strategies

All the organisational policies were reviewed to ensure alignment with changes in legislation, practices in the operating environment. All the institutional policies have been updated in line with the requirements of the POPI Act as well as other operational requirements and subsequently approved by the Board.

4. Relevant court rulings

The Entity operates in a litigious environment as its decisions may be challenged and /or reviewed by Applicants and or any interested persons. Outlined below are relevant court rulings that may have influence in the mandate of the organisation or hold significant legal precedent.

(a) Shoprite Checkers (Pty) Limited v Member of the Executive Council for Economic Development, Environmental Affairs and Tourism, Eastern Cape and Others (CCT 216/14) [2015] ZACC 23

The applicant in this matter challenged the provisions of section 71 (2) and 71 (5) of the Eastern Cape Liquor Act which provides for the lapse of the grocer's wine licence stating that the provisions should be declared unconstitutional.

The High Court held that the grocer's wine licence issued under the 1989 Liquor Act constitutes property as contemplated by section 25 (1) of the Constitution and that the termination of the applicant's grocer licence will

result in permanent deprivation of the applicant's property rights. It held that the impugned provisions of the Act arbitrarily deprived the Applicant of this property and found the provisions of the Eastern Cape Liquor Act to be constitutionally invalid.

The High Court's decision regarding the unconstitutionality of the Eastern Cape Liquor Act was placed before the Constitutional Court for confirmation. The majority judgment held that the wine licence constitutes property. This is of significant legal importance as it confirmed that a liquor licence constitutes property and provides furtherance of other constitutional rights such as the right to trade.

However, the deprivation of this property by the Eastern Cape Liquor Act was not total as the grocer had the opportunity to convert that right to a registration to sell all kinds of liquor, *albeit* not on the same premises as a grocery business. Finally, the main judgment held that because the change in regulatory regime brought about by the Eastern Cape Liquor Act did not extinguish any other fundamental rights of holders of grocer's wine licenses or fundamental constitutional values, rationality would be sufficient reason to avoid a finding of arbitrariness. It held that it was rational to change the regulatory regime of liquor sales to provide for simplification in the licensing processes and courts should not easily interfere with the intention of the legislature. In conclusion, the Court did not confirm the unconstitutionality of the legislative provision.

(b) Skilful 1059 (Pty) Ltd v Eastern Cape Liquor Board and Another (2851/2017) [2018] ZACPEHC 38

The applicant sought an order declaring that s 22 (11) of the Eastern Cape Liquor Act does not apply to the conversion of a close corporation to a company pursuant to Schedule 2 of the Companies Act 71 of 2008. In summary, the applicant converted as a close corporation to a company as provided in the Companies Act, it then unsuccessfully requested the ECLB to amend its records. The ECLB cited that its enabling Act made no provision for the amendment of the applicant's certificate of registration authorizing the sale of liquor, save by way of transferring said. It therefore contended that the envisaged request would be *ultra vires* the provisions of the Liquor Act. The Court found in favour of the applicant and ordered the ECLB to amend its records accordingly. The Courts decision highlights the significance of contextual statutory interpretation: -

Legislative provisions must be interpreted sensibly and in manner which does not undermine the purpose of the legislation. In this instance, effect must be given to the purpose of both the Companies Act and the Liquor Act. To hold that the first respondent is precluded from giving effect to a provision of the Companies Act because the Liquor Act, enacted prior thereto, does not refer to the amendment of the certificate of registration in circumstances such as the present, would lead to an insensible and un-businesslike interpretation of the legislation. To hold, on the contrary, that the first respondent is entitled in the exercise of its administrative functions which do not engage its adjudicative or regulatory powers, to amend the certificate of registration by issuing a certificate in the name of the converted Entity would give effect to the purposes of both the Companies Act and the Liquor Act.

(c) Eastern Cape Liquor Board v Tseliso Naketsana and Phedisa Tavern (Eastern Cape Local Division, Mthatha) 460/2022.

The ECLB successfully sought the review of the issuance of a licence to the Respondent on the basis that the community consultation report provided to it, was subsequently found to hold misrepresentations. Accordingly, the Court ordered that the liquor licence be immediately cancelled and set aside. This matter is significant, as its evidentiary of ECLB's stance that will not tolerate instances wherein it is found after the issuance of the liquor licence that the documents provided to it in fulfillment of legislative requirements hold misrepresentations.



EASTERN CAPE LIQUOR BOARD



**PART
B**

OUR STRATEGIC FOCUS

PART B: OUR STRATEGIC FOCUS

1. Vision

To be a liquor authority that strives for economic transformation and social cohesion.

2. Mission

To become a responsible regulator that promotes compliance and transformation of the liquor industry, while mitigating the adverse effects of excessive alcohol consumption.

3. Values

The Eastern Cape Liquor Board subscribes to the fundamental guidelines of corporate governance and is also guided by the following values which are important to us as an organisation.

Table 2: ECLB Values

VALUE	BEHAVIOUR
Fairness	Behaviour without favouritism, bias or discrimination in all our dealings.
Integrity	Ensuring uncompromised truth, demonstrating sound and moral principles. Demonstrate consistency and trustworthiness.
Accountability	Obligated to demonstrate and take responsibility for our actions, decisions and policies and accountable to the public at large.
Transparency	The decisions and actions taken are open to public scrutiny and the public has a right to access information.
Customer centricity	Demonstrating that our customers both internally and externally are at the centre of our business's philosophy, operations or decisions.

4. Situational Analysis

The situational analysis which informed the development of the ECLB Strategy, consists of an external and internal environmental analysis, which will be individually discussed below.

This review takes into consideration the previous year's performance, emerging trends, government policy directions, the digital transformations.

4.1 External Environment Analysis

When examining the operating context of the ECLB, it is important to analyse the environment the organisation operates in. The global issues that will continue to influence the liquor environment include the increased cases of alcohol abuse especially underage drinking as partly fuelled by the COVID-19 pandemic, and the technological advancements. At the macro level, unemployment remains one of the main challenges contributing to alcohol abuse.

South Africa, including the Eastern Cape has a unique drinking culture, with a strong tradition of socializing and celebrating with alcoholic beverages, the growing urban population and changing demographics, and lastly the large and growing middle class population, which has led to an increase in disposable income and discretionary spending including the government relief grants. These are some of the factors that have fuelled the demand for premium and craft alcoholic beverages. Despite the economic challenges, the demand for alcohol has remained resilient. This can be attributed to the fact that alcoholic beverages are considered affordable luxuries, and consumers are willing to spend on these products even during times of economic uncertainty.

However, the harmful use of alcohol impacts population health, the lives its harmful use claims, the diseases it triggers, the violence and injuries it causes, and the pain and suffering endured as a result. One of the realities as highlighted in the UN (2018) is the harm from a given amount of drinking is higher for poorer drinkers and their families than for richer drinkers.

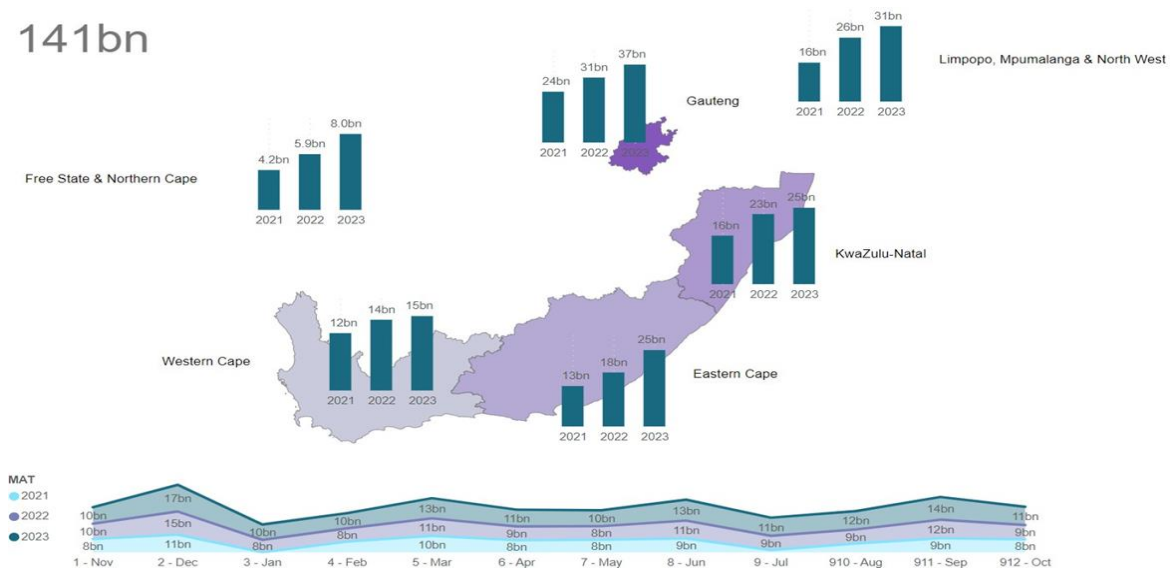
There is a plethora of social challenges facing communities in South Africa. These are also perpetuated by other external factors. As such, it is not a simple exercise to fight the alcohol abuse challenge as it is also embedded in the family environment. The Entity and the liquor industry at large have been engulfed by the deadly incidents that happened at some of the registered liquor outlets. Increased cases of illegal trading of liquor and manufacturing and distribution of illicit and deadly alcohol are some of the major risks facing the Entity. The Entity is working tirelessly to provide workable solutions to the problems behind these incidents. Solutions to these problems require an integrated approach by government, private sector, civil society and communities.

4.1.1 Economic Outlook of the liquor industry

According to the 2023 Nelson Report, the province of Eastern Cape is experiencing rapid growth, outpacing other regions in the country. Sales in this region are increasing, with a larger share of the market being captured. The growth in sales is mainly due to increased volume, suggesting a rising demand for products and services. This is a positive sign for the region's long-term growth prospects.

The growth is driven by growth in volumes indicating a growing demand as well as increased prices. Figure 1 below illustrates that South African liquor sales exceeded R141 billion in value in 2023, and the Eastern Cape is the second biggest contributor at 17% following after Gauteng and KZN. In terms of volume, the Eastern Cape contributed over R 25 million in sales and 502 million in volume while Gauteng contributed R 37 million in sales and 791 million in volume. Eastern Cape grew to 41% in 2023 compared to 10% trade share in 2022 (2023 Nelson Report).

Figure 1: Eastern Cape Liquor growth in value and volume



The 2023 Nelson Report further reported that the beer sector is the most valuable liquor segment in the EC at R 7,4 billion, followed by unfortified wines at R 3,6 billion. The Beer Association of South Africa (BASA), in 2023 assented that the beer industry is a major contributor to the South African economy as it roughly contributes 1.3% of the country's GDP as well as with one in every 66 jobs being sustained by the sector.

During the 5th instalment of the South Africa Investment Conference in April 2023, HEINEKEN South Africa and South African Breweries (SAB) pledged R15.5 billion and R5.8 billion respectively in new investment projects over the next five years. These investments are expected to create jobs for many South Africans, as well as boost the economic sectors such as agriculture and the hospitality industry.

The following trends are expected to contribute to how the liquor industry will operate henceforth:

Accessibility of liquor

The convenience of online purchasing and the increase in liquor outlets in close proximity to grocery shops has increased the accessibility and ability for consumers to purchase liquor. This has also created space for illicit alcohol, there have been a number of reports on the sale of illicit alcohol.

Non-adherence to liquor regulations

The rate of reported complaints reported by the public and interested parties against the conduct of liquor outlets is increasing at an alarming rate. This is also compounded by the illegal traders that continue to trade without registration and following the rules including selling liquor to underage pupils.

Trends in the liquor market

The increasing demand for craft products due to its unique flavors and locally sourced ingredients is beginning to plateau among consumers. The sector has witnessed significant growth, with a growing number of microbreweries and brewpubs opening up across the country, and the Eastern Cape with over 20 craft brewing and distilling micro-manufacturers. Another trend in the market is the increasing popularity of wine. South Africa is known for its wine production, and the country has seen a rise in both domestic and international demand for its wines. This can be attributed to the growing reputation of South African wines for their quality and affordability.

There is a trend of consumers shifting from spirits to craft products at global and local level. While the country, including Eastern Cape, is seeing a growth in micro-manufacturing, this shows that there is a need to put more effort to support this area. The craft beer, gin and wine segment has also benefited from the rise in wine tourism, with more tourists visiting the country's wine regions and purchasing local wines. The ECLB partner with ECPTA to promote the craft beer, gin and wine segments.

4.1.2 The socio-economic impact of alcohol abuse

The Eastern Cape Liquor Act No. 10 of 2003 enjoins the Entity to mitigate against the harmful effects and the excessive consumption of alcohol in our communities. The World Health Organisation's (WHO) Report (2019) shows that South Africa is among the heavy drinking countries of the world, and this invariably has an enormous socio-economic impact on our people. The WHO's data tracked levels of alcohol consumption and it shows that an estimated 31% of the population aged 15 and older consume alcohol, with the majority (69%) abstaining from drinking for at least 12 months.

Further, the WHO report shows that more than 3 million people die each year from the reckless consumption of alcohol worldwide. Similarly, the Global Alcohol Policy Alliance (2022) reported that alcohol consumption is a top-ten driver of death, illness, and injury, with wide-ranging social and economic harm. Many of the harms related to alcohol consumption disproportionately affect young adults. In addition, the Southern African Catholic Bishops Conference (SACBC), Justice and Peace Commission and DG Murray Trust (2020) Report indicates that alcohol abuse is the largest contributor to death and disability after Sexually Transmitted Diseases (STDs) and interpersonal violence. The report further suggests that alcohol plays a role in 80% of deaths among young men.

Surveys from multiple countries suggest that the Covid-19 pandemic has further increased drinking, and South Africa is not excluded. Gender-based violence became more pronounced during Covid 19 and was often attributed to the excessive use of alcohol. Henceforth, the ECLB has become more committed to promoting strategic collaborations to vigorously fight against GBV and femicide. The ECLB increasingly acknowledges the ripple-effect that was played by the COVID-19 in fueling the GBV incidents in the Eastern Cape. In seeking to mitigate these consequential factors of the pandemic, ECLB has heavily relied on the utilisation of multi-media platforms to continue to reach communities with its messages on GBV, among others. In the execution of the ECLB mandate, renewed focus is placed on advocacy campaigns which educate communities on the harmful consequences of alcohol abuse.

The rising consumption of alcohol is attributed to the affordability, availability, and promotion of alcohol through multimedia advertising, including social acceptance of excessive alcohol consumption and tolerance of inebriation. The growth of on-off consumption liquor outlets has contributed to the rise in the availability of alcohol. This raises a dilemma on whether continuous issuance of licences may contribute to the increased accessibility of alcohol.

Furthermore, the study that Aware.org commissioned in 2018/19 indicates that there is an increase of alcohol consumption among underage people, and this calls for renewed efforts to educate young people about the dangers of underage drinking. In this regard, a study that Centre on Alcohol Marketing and Youth (CAMY) conducted found that young people who are exposed to television alcohol advertisements were more likely to drink alcohol than young people who did not. Underage drinking is a serious social problem that impacts many school-going and out-of-school young people.

Available research studies show that young people start to experiment with alcohol at 13 years old. Findings from a survey conducted by HDI Youth Marketers show that on average in a South African home, one (1) in every two (2) teenagers is an active drinker, and forty-nine percent (49%) of learners interviewed indicated that they have consumed alcohol at some stage during their school tenure. Furthermore, a study by Mathibe, Cele and Modjadji (2022) shows that availability of alcohol outlets (54%) near schools was reported, and learners indicated easy access (65%) to taverns and bottle stores (30%) and purchasing alcohol without a proof of identity document (70%). The study further indicates that motivations for alcohol use were self-pleasure (36%), coping with stress (24%) and increasing self-esteem (19%). The recent spate of tavern-based calamities, such as Enyobeni and Razzmataz tavern tragedies, are a brazen illustration of the gravity of underage drinking cases in the Eastern Cape, which invariably call for a more concerted and multisectoral intervention approach. Figure 2 below is a further reflection of the challenge that the country is facing relating to underage drinking.

Figure 2: The levels of alcohol drinking in South Africa



Source: Aware.org

There is also a salient increase in the reported cases of liquor outlets in the proximity of schools that allow learners into their premises, and this contributes to rise in cases of underage drinking. This challenge is further aggravated by the mushrooming of illegal outlets around schools. There is also limited strenuous effort within communities to play a meaningful role in educating young people about the dangers of underage drinking. Instead, by and large, many elderly members of the communities are involved in the perpetuation of this scourge by allowing young people to consume alcohol and in some instances sending them to purchase alcohol. There is also a noticeable break-down of the family structure, which leaves young people with no moral compass, and end up resorting to excessive consumption of alcohol as a refuge from social challenges they experience within the family environment.

In view of the challenges posed by the excessive use of alcohol, it is, therefore, imperative that necessary steps are embarked upon to fight the scourge of alcohol abuse in all fronts. Government and other critical role-players should consider introducing a curriculum that will include subjects on alcohol abuse and related social challenges. The Entity is working tirelessly to curb the irresponsible use and abuse of alcohol particularly by underage people. The Entity has undertaken several initiatives to curb the scourge of alcohol abuse and underage drinking, and these include – but are not limited to - Institutions of Higher Learning Alcohol Harm Reduction Programme, the

Schools Ambassador and Anti-Pens Down. Clearly, these initiatives may not be panacea to the glaring socio-economic impact of harmful use of alcohol. There is a need for more multi-stakeholder efforts for sustained impact. The ECLB continues to mobilise partnerships and heighten relations with sector departments, municipalities, law enforcement agencies, community-based structures, traditional leaders, liquor industry, NGO's, civil society, and institutions of higher learning amongst others.

4.1.3 Transformation of the liquor industry

In terms of the transformation of the liquor industry, the ECLB's study on the Economic Profile of the Eastern Cape Liquor Industry indicated a very limited degree of transformation in the liquor industry, in particular the manufacturing sub-sector of the liquor industry in the Eastern Cape in terms of ownership, management control and employment of previously disadvantaged individuals. Similarly, what came out quite robustly at the Provincial Liquor Summit that was held in March 2017, is an urgent need to address the transformation of liquor industry. The following are some of the challenges that continue to face the industry in relation to transformation: -

- There are very few Black participants in the higher levels of the liquor industry value chain. Even those participating are insignificant in terms of the market value share they have in it.
- The liquor industry structure is very monopolistic and is dominated by international companies who get licenced at national level by the National Liquor Authority (NLA) to operate in the country.
- There is a perception and reality in many instances of little evidence of practical compliance monitoring by the NLA on the business practices of these big companies.
- Distribution companies are also licenced by the NLA and the same abovementioned trends exist.
- There is no Black micro-manufacturing company in the Eastern Cape.
- There is no evidence of Black participation in the supply value chain of these big companies.
- The majority of Black participants operate at retail level.
- This challenge is further compounded by the absence of an industry-wide charter and other instruments to guide transformation. In essence the absence of the charter encourages reluctance from big players in the industry to transform.

The more than 215 craft breweries accounted for less than 1% of the local beer market. The beer segment continues to dominate the market compared to wine and spirits. Currently the Eastern Cape has over 24 micro-manufacturers that are craft breweries.

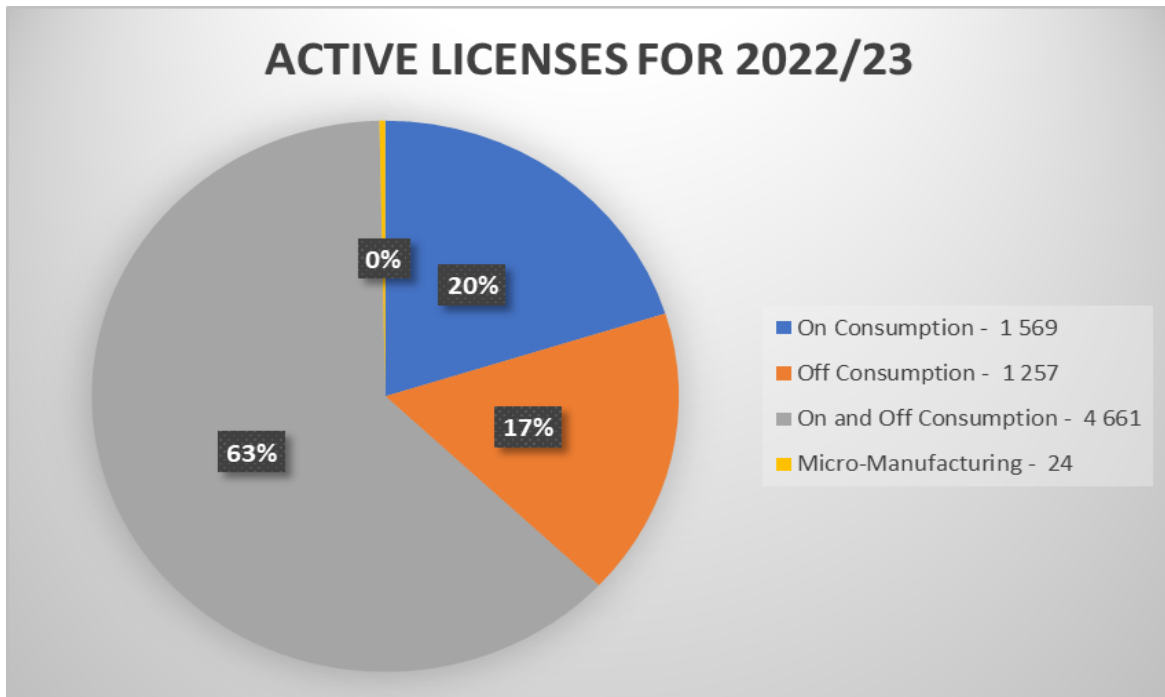
There are limitations on upward movement in the value chain by Black entrepreneurs at retail level which is still dominated by White owned companies, predominantly chain stores and franchises. The limitations are structural in that the Black participants are poorly organised and do not exploit their buying power leverage which can be used as a meaningful force at this level. Instead, they get exploited by foreign nationals to enter this space and use exactly their buying power to negotiate better deals from the big manufacturers by renting their licenced premises. Subsidization of company registration fees for liquor traders wanting to register as juristic persons has been granted by MEC: DEDEAT.

Lack of access to finance is a further problem, in that most, if not all, business development finance institutions preclude financing of liquor outlets and the commercial banks are very conservative in providing finance to Black liquor traders despite the fact that all of them are their clients, and they have been for many years.

4.1.4 Status of liquor licences

The ECLB contributes to the economy's GDP through the registrants' licensing fees. As the liquor regulator in the province, the Entity works hard to ensure that it fulfills the mandate of promoting a responsible liquor industry through a rigorous process of issuing liquor licenses. For the year 2022/23, the Entity had a total of 7 475 active licenses in the province that are comprised of different types, such as on-off consumption, on-consumption, off-consumption, and micro-manufacturing. The figure below provides the detailed categorization of licenses.

Figure 4: Active licenses by categories



Depicted below is the spread of registered outlets throughout the province:

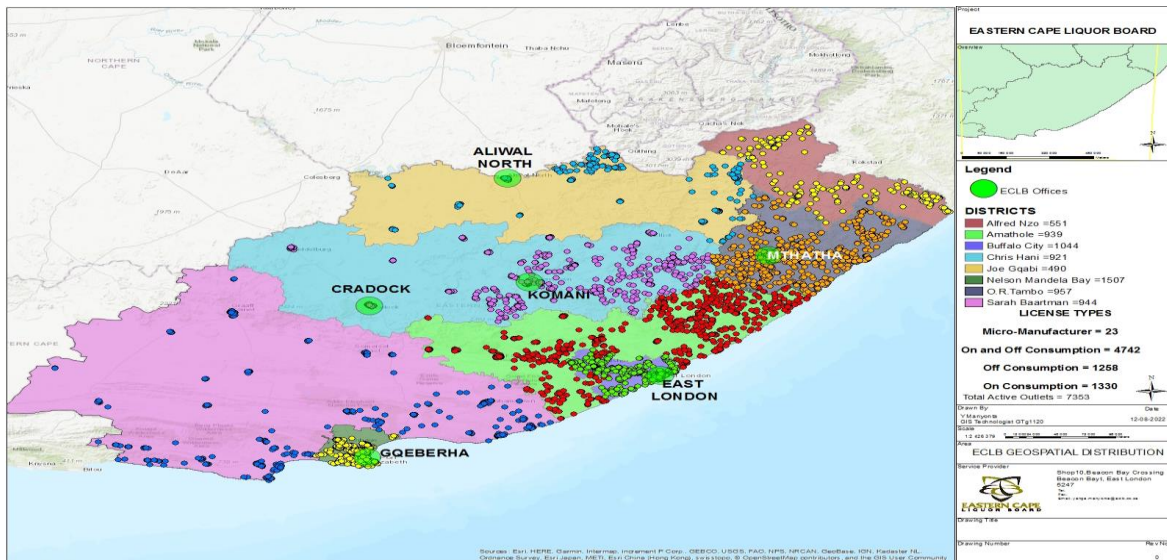
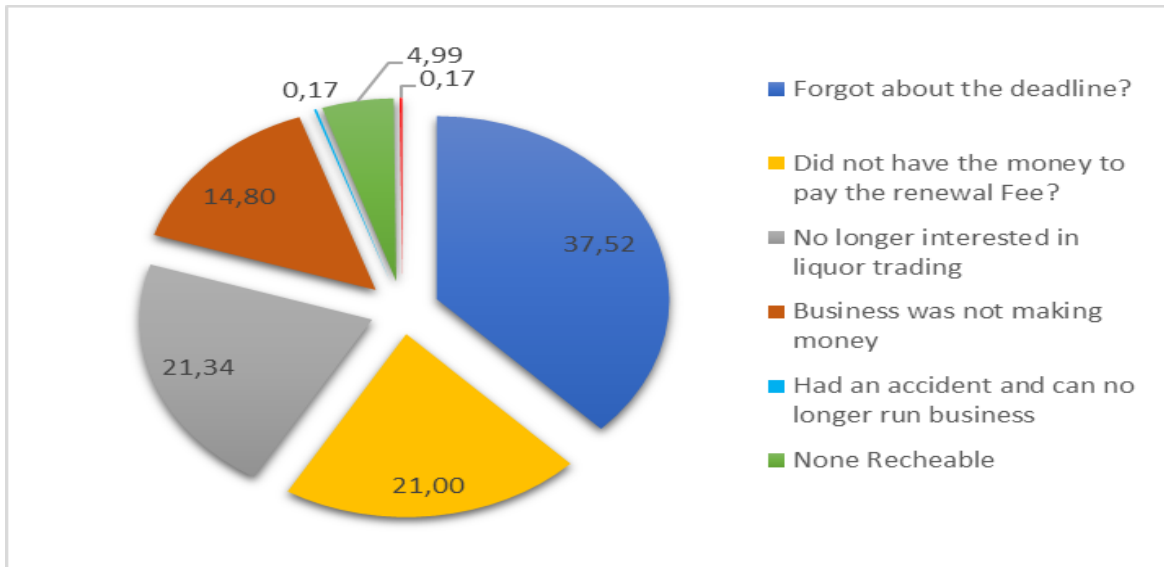


Figure 5: Geographical spread of Registered Outlets

Post the COVID-19 pandemic, there has been a challenge with the renewal of licences by liquor license holders. An investigation was conducted in 2023 of over 500 liquor licence holders who had not renewed for 2022 as to the reasons for non-renewal of licences. The results of the study showed that over 37% have forgotten about the deadline, followed by the nonavailability of money to pay and no longer interested in liquor trading at 21,34% and 21% respectively. The graph below depicts the outcomes of the study.



The result of the study requires the Entity to reconsider its strategies to encourage liquor traders to renew their license. The findings can result in the liquor traders continues their business illegally. One of the challenges with the non-renewal is the increase in the number of illegals.

Most of the liquor outlet businesses are family-owned, predominantly rural, and are the only source of income for these families as they provide local employment in the areas in which they operate. Most are failing to meet their basic needs and more importantly some have had to close their businesses.

4.1.5 Legislative framework

Liquor licensing is a provincial competency in terms Schedule 5 of the Constitution of the Republic of South Africa. Both the National Liquor Act No. 59 of 2003 and Eastern Cape Liquor Act No.10 of 2003 seek to promote new entrants into the liquor industry as big manufacturers/distributors and micro- manufacturers /retails sales respectively. That said, there are noticeable gaps and challenges in the implementation of the current legislation. Significantly, the Eastern Cape Liquor Authority Act, No 4 of 2018 has not been pronounced.

The ECLB is considered a “creature of statute” and is currently tasked to act within the parameters of its enabling statute, the Eastern Cape Liquor Act No.10 of 2003 and associated Regulations. To better equip the ECLB to regulate the retail sale of liquor in the Eastern Cape Province and to rectify the difficulties with the Act, the Eastern Cape Liquor Authority Act No. 4 of 2018 (new Act) was gazetted on the 11th of March 2019. In preparation to seek proclamation of the new Act into effect and to publish the draft Regulations for comments, material legal concerns were noted in the new Act and resulted in amendment to ensure that it is fit for purpose when proclaimed into effect.

Furthermore, the Regulations to the current Act No. 10 of 2003 will be amended to bolster the ECLB's legislative footing and to increase its revenue generation.

To bolster transformation within the sector in order for liquor traders to access funding opportunities including harnessing opportunity to move up the value chain, the Entity successful sought the waiver of transfer fees for persons holding licences in their personal capacities to enable transfer the licences to juristic entities which they have established.

The Entity has also sought approval from the Honourable Minister of Justice and Correctional Services to have its Inspectors declared Peace Officers in terms of the Criminal Procedure Act. Once declared Peace Officers, the Entity's Inspectors will be empowered to give effect to greater monitoring and compliance in relation to the provisions of the Eastern Cape Liquor Act.

The new technological advancements have exposed a huge gap in the legislation due to the new ways of buying and supplying alcoholic beverages e.g. use of apps and online sales. There is therefore a gap in the current legislation in relation to licensing as well as compliance monitoring and enforcement to regulate such virtual establishments. In view of these rapid developments in our regulatory environment, the lack of funding to implement the new legislation will be a challenge for the regulator.

The Entity is working closely with municipalities as the Act provides for participation by ward committees and communities in the consideration of licence applications for registration as well as enforcement of by-laws. The challenge has been the absence of by-laws in some municipalities and lack of enforcement of existing by-laws. To address this, the Entity is continuously engaging COGTA, SALGA and the municipalities to ensure alignment of municipal by-laws, liquor regulations and liquor licensing conditions in order to ease the regulatory burden.

The Eastern Cape Province developed a five-point plan for the economic recovery of the province. The five-point plan is built on the objective of economic growth and job creation through infrastructure development; industrialisation and sector development; equitable, inclusive transformation through SMMEs, township economies, the informal sector and social economy; digital transformation and public finance.

4.1.6 Revenue Collection from Liquor Licenses

The table below illustrates the financial implications detailed above taking into consideration the relief to liquor traders provided by the MEC for DEDEAT which positively impacted 2022/23 financial year revenue collection. Year on year comparison in rand value, of liquor licensing revenue accruing to the provincial revenue fund indicates a year-to-date increase in revenue collection.

Table 3: Year on Year Revenue Comparison (2020 -2024)

YEAR	2020/21	2021/22	2022/23	2023/24 (APRIL-DEC)
PROJECTED	9 934 000	11 539 000	18 600 000	13 879 000
ACTUAL	15 828 000	22 354 357	26 018 700	13 190 580
DIFFERENCE	(5 894 000)	(10 995 357)	(7 418 700)	688 420

4.1.7 Emerging risk in the liquor industry

- The increase in the manufacturing and distribution of illicit deadly alcohol.
- Liquor outlets that allow young/underage children to purchase and consume alcohol.
- Renting out of licenses to foreign nationals
- Increasing criminal cases relating to alcohol related activities.
- Encroachment of traditional market for liquor traders by big retail chain stores.
- Preclusion of liquor trading in funding policies of government development finance institutions.
- Delayed conclusion of the revised liquor policy and legislation.
- The absence of a transformation charter in the industry. However, this is the competency of the Department of Trade, Industry and Competition.
- Lack of supervision of uncompetitive behaviour by the manufacturers and wholesalers.

4.2. Internal Environment Analysis

In line with the mandate of the organisation the efforts and resources of the Entity will contribute to the following outcomes over the five-year period:

- Reduction in alcohol abuse and behavioural change towards alcohol consumption.
- Compliant liquor trading and regulated access to alcohol.
- Efficient licensing.
- Increased participation by previously disadvantaged citizens in both the retail and micro-manufacturing levels; and
- Good Corporate Governance

4.2.1 Focus areas for the MTEF

The 2024/2025 APP review represents the last and 5th review of the 5-year Strategic Plan. This APP is developed having considered and reviewed the relevance of the Entity's strategies to support Government's priorities as well as the statutory obligations set out in the Eastern Cape Liquor Act.

The Entity will see the full implementation of the amended Eastern Cape Liquor Act, 2003 Regulations. The amendment of the 2003 Act Regulations will strengthen the issuance and compliance of licenses especially in light of the recent liquor outlet incidents, bolster the ECLB's legislative footing and to increase its revenue generation.

The additional budget allocation of R22 million during the 2023/24 financial year has assisted the Entity to improve its operations through the increased human capital, upgrading of ICT systems as well as strengthening the harm reduction initiatives.

While the liquor industry continues to boost the economy of the province, we, however, seek to balance this with stringent enforcement of compliance and strengthening of harm reduction initiatives. In order to strike this significant balance, the Entity has partnered with various stakeholders that promote responsible consumption and trading.

The Board has further identified strategic initiatives that will enhance the regulation of the liquor industry in the province. However, it is essential to state that the strategic initiatives detailed in this APP are largely contingent on the availability of adequate funding and other related resources. The reality is that the Entity, as with all other government entities, will need to optimise and maximise the limited resources at its disposal to ensure that the public is served with a greater sense of efficiency and effectiveness.

The ECLB's Board is committed to driving and enhancing improvement in the following areas of operation: -

- Forming strategic partnership to drive the transformation with (farmers, manufacturers, communities, other departments etc)
- Impacting on the socioeconomics of the province through empowerment of small entrepreneurs and liquor traders and thus also job creation.
- Identification and facilitation of projects that could contribute towards local economic development and economic recovery.
- Fundraising which is of critical importance as there is concern about institutional viability in the light of a shrinking budget. There is a need to identify strategic projects in order to leverage funding from the liquor industry and beyond.
- Enforcement of compliance with liquor regulations.
- Coupled with the above the Entity's will further focus on -
- digital transformation and systems improvement;
- improving operational efficiencies by streamlining processes;
- cost effective ways of working;
- improving organisational culture.

Key Challenges

CHALLENGES	MITIGATING MEASURES
<ul style="list-style-type: none"> Underage drinking 	<ul style="list-style-type: none"> Enforce stricter measures for the liquor traders that allow underage people (offences). Measures restricting youth access to alcohol in both commercial and non-commercial settings Design screening, counselling, and treatment programs to assist underage drinkers who have developed alcohol problems at school (ECLB to add these with the educational programmes) The liquor industry must design adverts that discourage underage liquor drinking, the Not under 18 is not sufficient
<ul style="list-style-type: none"> The ratio of inspectors to 7 475 registered liquor outlets is 1: 356 	<ul style="list-style-type: none"> Training SAPS Officers and Municipal Police on the Liquor Act and designating them as DLO's to augment the ECLB capacity.
<ul style="list-style-type: none"> Ward Councillor performance regarding community consultation Capacity of municipalities to enforce their liquor trading by-laws 	<ul style="list-style-type: none"> Training of Councillors on their legislative role in the regulation of the retail sale of liquor
<ul style="list-style-type: none"> Untenable Socio-economic conditions of our communities resulting to alcohol abuse. Growing cases of liquor abuse, including liquor outlets that allow learners into their premises 	<ul style="list-style-type: none"> Comprehensive anti-alcohol abuse program that has been developed which includes the facilitation of community social activities such as sport tournaments
<ul style="list-style-type: none"> Increasing cases of inconsiderate and illegal trading 	<ul style="list-style-type: none"> Collaborations with other law enforcement agencies Revised determination of fines Opening criminal cases Appointment of ECLB Inspectors as Peace Officers in terms of the Criminal Procedure Act.
<ul style="list-style-type: none"> Limited capacity to monitor the compliance of the National Registered Outlets (e.g. Big Daddy, Ultra, etc) by National Liquor Authority 	<ul style="list-style-type: none"> Engaging with relevant licenses authority (NLA) to resolve the issue
<ul style="list-style-type: none"> Slow transformation of the liquor industry 	<ul style="list-style-type: none"> BBBEE compliance provisions in the new act Engagements with the big liquor manufacturers and the National Liquor Authority
<ul style="list-style-type: none"> Inability to measure the impact of the interventions conducted 	<ul style="list-style-type: none"> Assistance is being sought from DEDEAT to resource the research Institutions of higher learning are being approached to support the research requirements of the Entity

Swot Analysis

In reviewing the operational environment and considering the impact of the pandemic and its effect on the immediate and future operations of the Entity the following are the key SWOT factors were identified.

Table 4: ECLB SWOT Analysis

STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Leveraging on corporates Effective use of partnerships Enforcement of applicable prescripts (compliance notices) Invest in technology Renewal of licenses Culture of performance 	<ul style="list-style-type: none"> Coordinating with other Spheres Lack of other funding streams Limited human resources Research capacity Limited footprint in the province Reliance on manual systems (also due to clientele) 	<ul style="list-style-type: none"> Leveraging on corporates Building efficiencies and reprioritising time Effective use of partnerships Access to new technological advances Strengthen coordination of government programmes (IGR) Implementation of the new Act Access to new technological advances 	<ul style="list-style-type: none"> Increase in illegal trading Growing cases of alcohol abuse Lack of cooperation by key stakeholders e.g. National Liquor Authority. Limited understanding of the liquor industry by government institutions Reduced funding and economic challenges Limited funding streams and continued budget cuts Overreliance on the shareholder with limited funds Industry faced with negative perceptions – Socio-economic Impact Lack of clarity on the rationalisation of SOC in the Province Lack of transformation of the industry Delays in the implementation of the new Act Digitalisation and Automation Safety and security of officials

4.2.3 Governance

The Entity is governed by the Board which is appointed by the MEC for DEDEAT. In terms of the Eastern Cape Liquor Act No.10 of 2003, the Entity is supposed to consist of five members. Currently, four (4) of the five (5) positions have been filled. The Board currently comprises of three (3) independent Board members and one representative from the Department. The Board has a functioning and fully complemented Audit and Risk Committee. The Entity has maintained unqualified audit opinions for the past three years and it continues to improve its systems, processes and structures.

4.2.4 Fiscal resources and funding initiatives

The mandate of the entity and funding requirements the entire organisation with a need to resource research capacity, enterprise development support initiatives, compliance management, social accountability initiatives and support functions. In the same regard, there is a need to provide incentives for compliance with the assistance of the industry in order to encourage excellent performers. The possibility of getting to that level and operate optimally is not possible when the entity is not adequately resourced. As indicated above the entity needs to continue engaging with DEDEAT and Treasury for the review of the funding baseline as well as further engage relevant stakeholders for funding and collaborations in areas of common interest. Additional funding of R22 million was allocated for implementation of the new Act, which amongst other things includes social responsibility initiatives, evaluation of harm reduction initiatives, appointment of 5 inspectors and a licence holder demographic profile study.

4.2.5 Digitalisation and improve operational efficiencies

In keeping with the evolving technological trends, the Entity is in the process of digitalising its systems to improve operational efficiencies as well as streamline processes; find cost-effective ways of working; and improve systems. During the 2023/24 financial year, the Entity received an additional budget allocation to upgrade the ECLB server environment as well as to develop new licensing and compliance system. Furthermore, the Entity has been able to acquire systems to adapt to hybrid work models and automate the existing manual processes.

4.2.6 Human Capital Advancement

To optimise its human capital, the ECLB has in line with the corporate strategy adopted the following strategic human capital pillars: Talent Attraction and Retention, High Performance Culture, Competitive Reward Strategy, Performance Management and Development, Learning and Development environment, latest Human Capital Technology, Labour Legislative Compliance and Human Resource Development.

The addition of positions to the organogram has increased the number of permanent positions from 76 to 91. Some of these positions will be filled over the MTEF pending budget availability. In the 2023/24 financial year five additional Inspectors have been appointed to augment capacity for compliance and enforcement and thus increasing the reach of Inspectors in the Province. A Senior Manager for Social Accountability and Personal Assistant have also been appointed.

In ensuring a high-performance culture and identifying areas of improvement the Entity will be conducting an employee satisfaction survey in the current financial year. This survey will provide management with a direction and an in-depth understanding of how satisfied the employees in the workplace are and what probable measures and strategies can be put in place to improve the working environment and employees' satisfaction should the results of the survey not be quite positive.



EASTERN CAPE
LIQUOR BOARD



**PART
D**

**TECHNICAL
INDICATOR DESCRIPTIONS
(TIDS)**

PART C: MEASURING OUR PERFORMANCE

1. Institutional Performance Information

1.1 Impact

Impact Statement

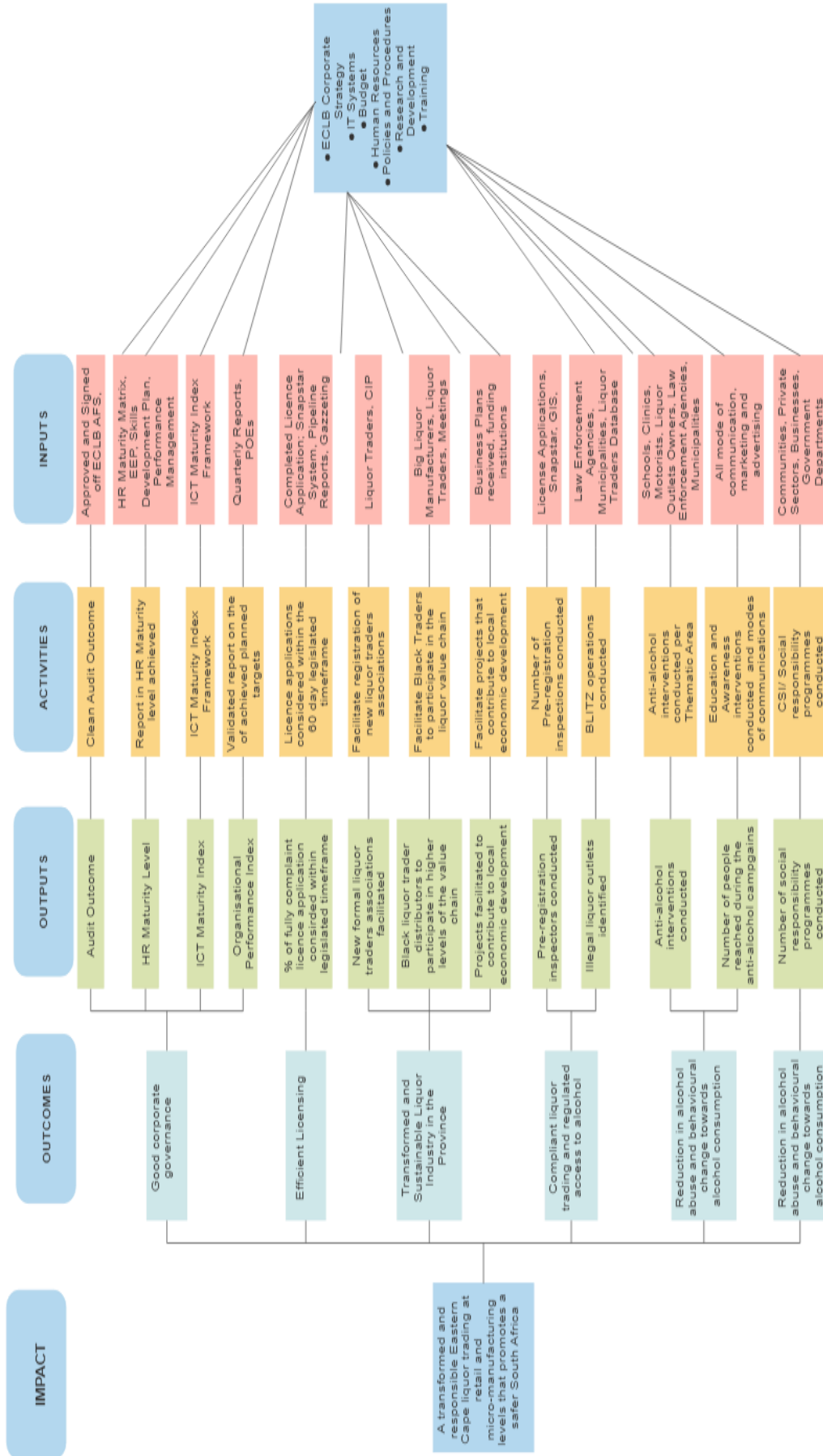
Transformed and responsible EC liquor trading at retail and micro manufacturing levels that promotes a safer South Africa.

The ECLB's intended impact in line with our mandate is to create transformed and responsible Eastern Cape liquor trading at retail and micro manufacturing levels that promotes a safer South Africa. The impact has been developed in line with the Revised Framework for Strategic Plans and Annual Performance plans (2019) issued by the Department of Planning, Monitoring and Evaluation. The impact statement is informed by the theory of change and other tools used to develop a results-based plan.

This review is still in line with the strategic plans, and no significant changes have been made in this review. The intended impact and outcomes identified in the diagram below for this strategic plan period will contribute towards the achievement of relevant priority areas in the National Development Plan 2030, Provincial Development Plan, the MTSF and the priorities of the Province and our Department, namely transformation and job creation, social cohesion and safe communities and a capable and ethical developmental state. The diagram shows the intended impact, the intermediate and immediate outcomes, outputs as well as activities and inputs that will be utilized. The Entity has focused on areas that it has control over as at the end of the period we must be able to demonstrate progress and achievement of those outcomes. Collaborations and partnership will be utilized to ensure the success of certain programmes identified. The district model in subsequent pages further demonstrated the integration of our work with the district municipalities.

The total APP indicators are 16 for this period. However, 15 of the 16 indicators will be implemented in the 2024/25 financial year. No changes have been made or anticipated for this APP review.

Figure 6: The Theory of Change for the ECLB



2. Institutional programme performance information

2.1 Organisational Resource Considerations

Programmes	Medium term expenditure framework						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	RAND THOUSAND						
Licensing	6 625	7 075	6 654	8 567	7 690	8 034	8 403
Compliance and Enforcement	23 858	25 676	26 773	34 266	33 347	27 532	32 254
Social Accountability	7 939	7 714	7 840	13 368	9 788	7 718	3 062
Finance	12 241	14 255	12 991	18 543	16 070	17 622	14 700
Corporate Services	7 984	7 971	7 994	9 063	8 338	8 711	9 111
Information and Communication Technology	2 990	3 088	3 533	8 520	4 573	4 777	4 977
Office of the CEO	6 446	7 229	7 017	8 001	8 444	8 823	9 229
Total	68 083	73 008	72 802	100 328	88 250	83 217	81 756
Economic classification							
Current payments	67 233	70 501	70 986	89 989	86 851	81 555	80 017
Compensation of employees	43 220	47 019	45 173	60 833	59 375	63 464	67 848
Salaries and wages	43 220	47 019	45 173	60 833	59 375	63 464	67 848
Goods and services	24 013	23 482	25 813	29 156	27 476	18 091	12 169
Administrative fees	2 802	2 795	5 470	2 808	2 757	3 247	2 585
Advertising	3 803	2 853	1 703	2 456	3 204	2 190	2 47
Minor Assets							
Audit cost External	1 950	1 024	1 987	624	652	681	712
Bursaries: Employees							
Catering: Departmental activities	189	510	1 141	5	156	183	1 656
Communication (G&S)	186	397	-	-	-	-	-
Computer services	657	172	1 266	633	538	566	1 228
Consultants and professional services	1 096	2 332	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-
Legal services	51	200	-	-	-	-	-
Contractors	-	-	-	-	-	-	-
Agency and support/ outsourced services	-	-	-	-	-	-	-
Entertainment	15	3	-	-	-	-	-
Fleet services	82	248	-	1 102	944	598	626
Fuel,oil,gas,wood and coal	6	20	-	-	-	-	-
Consumable supplies	189	361	-	-	-	-	-
Consumable: Stationery,printing and office supplies	184	626	-	-	-	-	-
Operating leases	695	503	997	430	1 209	2 013	2 106
Property payments	407	474	597	590	1467	546	571
Travel and subsistence	4 158	2 853	6 765	8 101	5 682	2 356	738
Training and development	126	265	-	-	-	-	-
Operating payments	3 729	5 203	2 276	5 652	2 679	2 718	418
Rental and hiring	3 233	2 594	3 611	6 050	7 447	2 243	497
Interest and rent on land	455	49	705	741	741	750	785
Payments for capital assets	850	2 507	1 816	10 339	1 399	1 662	1 739
Buildings and other fixed structures	850	-	-	-	-	-	-
Machinery and equipment	-	1 112	1 414	828	865	1 104	1 155
Software and other intangible assets	-	1 395	402	9 511	534	558	584
Total	68 083	73 008	72 802	100 328	88 250	83 217	81 756

Explanation of the contribution of resources towards the achievement of outputs

- **Non-tax revenue** increased from R69.644 million in 2020/21 to a revised estimate of R73.021 million in 2022/23 due to the increased operational requirements, additional allocation received for operations to correct the ECLB baseline as well as funding received from the industry. Over the 2024 MTEF, non-tax revenue increased by 4% to R100.328 million, R88.250 million, R83.217 million and R81.756 million respectively, due to additional funding over the MTEF for the implementation of the new liquor act.
- **Departmental transfers** increased from R69.094 million in 2020/21 to a revised estimate of R74.480 million in 2022/23 due to the increased operational requirements. Over the 2023 MTEF, departmental transfers increased to R99.623 million in 2023/24 due to additional funding provided for the implementation of the new liquor act, this decreases to R87.509 million in 2024/25 and further decreased to R82.467 million in 2025/26 and R80.971 million in 2026/27. Review of the funding baseline of the ECLB activities is critical even with the pending merger between DEDEAT and ECLB. Instances of inconsiderate trading, underage drinking and overall inconsiderate trading required concerted efforts with adequate funding in order to make a meaningful dent to this scourge.
- **Compensation of Employees** increased from R43.220 million in 2020/21 to a revised estimate of R60.833 million in 2023/24 due to additional positions for unemployed graduates to conduct anti-alcohol campaigns in higher education institutions within the province as well as the cost-of-living adjustment. Over the 2024 MTEF, compensation of employees increases to R59.375 million, R63.464 million and R67.848 million, respectively due to additional appointment of inspectors and inflationary cost of living adjustment.
- **Goods and services** increased from R23.558 million in 2020/21 to R28.451 million in 2023/24 due to additional funding allocated for inspectors in order to meet the entity's legislative imperatives, additional allocation for the Social Accountability division for conducting education awareness programmes as well as a once-off development of the new licencing system. Over the 2024 MTEF the expenditure decreases to R27.476 million and R18.091 million, R12.169 million respectively over the outer years. To effectively achieve on the ECLB mandate additional funding is required as the entity's budget in this regard is reduced by over R10 million whilst inflation and socio economic effects affecting the industry continue to escalate.
- **Payments of capital assets** increased from R2.507 million in 2021/22 to R10.339 million in 2023/24 for normal systems maintenance and a once-off development of the new licencing system as the current one has aged. Over the 2024 MTEF, expenditure decreases to R1.399 million in 2024/25, R1.662 million in 2025/26 and R1.739 million in 2026/27 for maintenance of intangible assets and enhancement of systems to accommodate ever changing technological developments.

3. BUDGET PROGRAMMES

3.1 BUDGET PROGRAMME: GOOD CORPORATE GOVERNANCE

Purpose

The purpose is to provide corporate administrative and management support to the organisation, including the Board, to ensure that the mandate is executed, achieved and reported. The sub programmes are Corporate Services, Finance, ICT and the Office of the CEO.

3.1.1 BUDGET SUB-PROGRAMME: FINANCE

Purpose of the Sub-Programme: to administer and maintain appropriate financial management systems in an effective and efficient manner.

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME / OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED / ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23	2023/ 24	2024/ 25	2025/ 26	2026/27
Good corporate governance	Approved and signed off AFS of ECLB	Audit outcome	Unqualified Audit Opinion without findings	Clean audit	Clean audit	Clean audit	Clean audit	Unqualified Audit without findings	Unqualified Audit without findings	Unqualified Audit without findings

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Audit outcome	Unqualified Audit without findings	-	Unqualified Audit without findings	-	-

Finance Programme resource consideration

Programme	Audited outcome 2019/20	Appropriation 2020/21	Medium term expenditure framework				2024/25	2025/26	2026/27
			2021/22	2022/23	2023/24	2024/25			
Rand thousand									
Finance	10 607	12 241	14 255	12 991	18 543	16 070	17 622	14 700	
Total	10 607	12 241	14 255	12 991	18 543	16 070	17 622	14 700	
Economic classification									
Current payments	9 815	12 241	14 255	12 991	18 543	14 671	15 960	12 961	
Compensation of employees	3 782	4 165	4 426	4 120	5 330	14 671	5 833	6 101	
Salaries and wages	3 782	4 165	4 426	4 120	5 330	5 583	5 833	6 101	
Goods and services	5 996	7 226	7 322	7 055	6 874	9 088	10 127	6 860	
Administrative fees	-	900	1 615	1 730	699	730	763	798	
Advertising	-	-	-	-	-	-	-	-	
Auditcost External	1 891	1 950	1 024	1 987	624	652	681	712	
Communication (G&S)	21	15	-	-	-	-	-	-	
Computer services	63	174	73	181	188	196	205	214	
Consultants and professional services	37	126	1 737	-	-	-	-	-	
Agency and support/ outsourced services	75	-	198	-	-	-	-	-	
Entertainment	-	-	-	-	-	-	-	-	
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	
Operating leases	711	695	503	997	430	1 209	2 013	2 106	
Property payments	339	339	422	478	501	523	546	571	
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	
Travel and subsistence	381	45	170	262	(112)	423	1 126	1 178	
Training and development	-	-	-	-	-	-	-	-	
Operating payments	441	79	402	-	-	-	-	-	
Rental and hiring	2 050	2 448	1 129	1 420	3 839	4 614	4 043	496	
Interest and rental land	37	455	49	705	705	741	750	785	
Payments for capital assets	792	850	2 507	1 816	6 339	1 399	1 662	1 739	
Buildings and other fixed structures	-	850	-	-	-	-	-	-	
Machinery and equipment	408	-	1 112	1 414	828	865	1 104	1 155	
Software and other intangible assets	384	384	1 395	402	5 511	534	558	584	
Total	10 607	12 241	14 255	12 991	18 543	16 070	17 622	14 700	

The budget for the finance division includes capital expenditure budget for the entire organization. The Entity is committed in ensuring its compliance to laws and regulations as well as maintaining clean audit outcomes.

3.1.2 BUDGET SUB-PROGRAMME: CORPORATE SERVICES

Purpose of the Sub-Programme: is to ensure effective provision of organisational development, office administration, supply chain management and human resource management.

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23	2023/ 24		2024/ 25	2025/ 26	2026/27
Good corporate governance	Signed and Approved Procurement Report	Percentage spent on Eastern Cape SMME's	70%	53.5%	42%	50%	60%	50%	70%	75%	
	Progress Report on HR maturity level	HR Maturity level	Level 4	New Indicator	New Indicator	New Indicator	Level 3	Level 3	Level 4	Level 4	

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Percentage spent on Eastern Cape SMME's	50%	-	-	-	50%
HR Maturity level	Level 3	-	-	-	Level 3

Corporate Services resource considerations

Programme	Audited outcome 2019/20	Appropriation 2020/21	Medium term expenditure framework				2026/27
			2021/22	2022/23	2023/24	2024/25	
Corporate services	7 451	7 984	7 971	7 994	9 063	8 338	9 111
Total	7 451	7 984	7 971	7 994	9 063	8 338	9 111
Economic classification							
Current payments	7 451	7 984	7 971	7 994	9 063	8 338	9 111
Compensation of employees	5 049	5 009	5 063	5 172	6 979	6 576	8 402
Salaries and wages	5 049	5 009	5 063	5 172	6 979	6 576	8 402
Goods and services	2 402	2 975	2 908	2 822	2 084	1 762	1 009
Administrative fees	509	1 264	572	1 010	866	421	28
Advertising	150	162	153	291	180	630	204
Communication (G&S)	55	39	203	-	-	-	-
Consultants and professional services	-	9	79	-	-	-	-
Entertainment	21	12	-	-	-	-	-
Fleet services (including government motor transport)	-	1	19	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	121	6	20	-	-	-	-
Consumable supplies	74	189	361	-	-	-	-
Consumable: Stationery, printing and office supplies	100	53	195	-	-	-	-
Travel and subsistence	200	144	240	1 521	1 038	711	777
Training and development	235	126	265	-	-	-	-
Operating payments	925	970	751	-	-	-	-
Rental and hiring	12	-	50	-	-	-	-
Total	7 451	7 984	7 971	7 994	9 063	8 338	9 111

Corporate Services is responsible for office administration, supply chain management and human resource management. Funding challenges for this division related to insufficient funding for employee development initiatives such as the provision of bursaries and training. Entity operations have been adapted to allow for remote working where possible.

3.1.3 BUDGET SUB-PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Purpose of the Sub-Programme: The purpose of the sub-programme is to provide technological support to the organisation.

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23	2023/ 24		2024/ 25	2025/ 26	2026/27
Good corporate governance	ICT Maturity Index Framework Report on the Assessment of the ECLB ICT Maturity	ICT Governance framework implemented	ICT Level 4	¹ ICT Maturity Level 2	ICT Maturity level 3	ICT Maturity level 3	ICT Maturity level 3	ICT Maturity level 4	ICT Maturity level 4	ICT Maturity level 4	

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
ICT Governance framework implemented	ICT Maturity level 4	-	-	-	ICT maturity level 4

¹ ICT Maturity level defines the level at which the ICT Governance is implemented and working within organisations. It is measured using the ICT Gov. MPAT assessment tool from DPSA. Level 1 = No ICT Policies. Level 2 = Policies are in place but not approved or implemented. Level 3 = All ICT policies are in place Approved and implemented. ICT Steering Committee sits quarterly.

Information and Communication Technology resource considerations

Programme	Audited outcome	Appropriation	Medium term expenditure framework						
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
			Rand thousand						
ICT	2 885	2 990	3 088	3 533	8 520	4 573	4 777	4 997	
Total	2 885	2 990	3 088	3 533	8 520	4 573	4 777	4 997	
<u>Economic classification</u>									
Current payments	2 885	2 990	3 088	3 533	8 520	4 573	4 777	4 997	
Compensation of employees	1 454	1 610	1 666	1 600	3 163	3 318	3 467	3 626	
Salaries and wages	1 454	1 610	1 666	1 600	3 163	3 318	3 467	3 626	
Goods and services	1 431	1 380	1 422	1 933	1 357	1 255	1 310	1 371	
Administrative fees	265	219	110	465	412	813	849	888	
Communication (G&S)	14	6	19	-	-	-	-	-	
Computer services	926	483	99	1 085	445	342	361	483	
Travel and subsistence	144	32	165	383	-	100	100	-	
Operating payments	82	640	1 029	-	500	-	-	-	
Payments for financial assets					4 000				
Total	2 885	2 990	3 088	3 533	8 520	4 573	4 777	4 997	

The Entity's ICT Strategic Plan has been approved and is in alignment with the Entity wide strategy. The division currently has two employees responsible for 7 offices throughout the province. The staff complement of the ICT Division should grow over the MTEF. The Entity's budget however does not provide for the required growth and implementation. The need for digital transformation of the organisation has been exacerbated changing technologies and increased demand for information security, as such funding is required to further improve on current technologies employed for effectiveness.

3.1.4 BUDGET SUB-PROGRAMME: OFFICE OF THE CHIEF EXECUTIVE OFFICER (OCEO)

Purpose of the Sub-Programme: The division is responsible to provide strategic ethical leadership and corporate governance at the ECLB as well as administrative functions of the Entity's Board.

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23		2023/ 24	2024/ 25	2025/ 26
Good corporate governance	Validated Report on a number of planned targets achieved by the end of the Financial Year	² Organisational performance index/percentage achieved	90%	80%	83%	75%	85%	85%	90%	90%

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Organisational performance index/percentage achieved	85%	85%	85%	85%	85%

² Percentage of targets achieved over the total planned for the period. It is derived from the APP planned targets and the reported achieved targets as per quarterly reports.

Office of the CEO resource considerations

Programme	Audited outcome		Appropriation 2020/21	Medium term expenditure framework					2026/27
	2019/20	2020/21		2021/22	2022/23	2023/24	2024/25	2025/26	
Office of the CEO	6 896	6 446	6 446	7 229	7 017	8 001	8 444	8 823	9 229
Total	6 896	6 446	6 446	7 229	7 017	8 001	8 444	8 823	9 229
Economic classification									
Current payments	6 896	6 446	6 446	7 229	7 017	8 001	8 444	8 823	9 229
Compensation of employees	5 334	4 682	4 682	5 079	4 854	6 733	7 049	7 365	7 704
Salaries and wages	5 334	4 682	4 682	5 079	4 854	6 733	7 049	7 365	7 704
Goods and services	1 562	1 764	1 764	2 150	2 163	1 268	1 395	1 458	1 525
Administrative fees	83	276	276	312	1 141	700	700	733	871
Catering: Departmental activities	24	186	186	108	516	5	156	183	232
Communication (G&S)	20	28	28	-	-	-	-	-	-
Consultants and professional services	72	961	961	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Scientific and technological services	1	-	-	-	-	-	-	-	-
Legal services	429	51	51	200	-	-	-	-	-
Contractors	254	-	-	-	-	-	-	-	-
Entertainment	-	3	3	3	-	-	-	-	-
Travel and subsistence	488	169	169	981	371	563	539	542	422
Operating payments	191	90	90	30	-	-	-	-	-
Total	6 896	6 446	6 446	7 229	7 017	8 001	8 444	8 823	9 229

The division is responsible for ensuring that effective and implementable organisational strategic plans are developed through an inclusive participatory process involving relevant employees and shareholder's representatives, for final approval by the Board. The division is also responsible for monitoring and evaluating the organisational performance against the planned objectives and goals as contained in the annual performance plan and operational plan. Policy formulation and reviews are undertaken annually to ensure that the internal operating environment is flexible and can adapt to external changes in the environment. Legal advisory services are rendered to the Entity through the office of the CEO to ensure compliance with relevant statutory requirements.

3.1.5 BUDGET PROGRAMME: LICENSING

Purpose of the Sub-Programme: is to administer the back office for processing of liquor licence applications and renewal of licenses, monitor the running of the Snapstar Licensing System, and secretariat for the Licensing Committee. Implementation of the Liquor Traders Development Programme and facilitate the transformation of the liquor industry to ensure that Black liquor traders participate and move up the full value chain in the liquor industry.

3.1.5.1 BUDGET SUB-PROGRAMME: LICENSING ADMINISTRATION AND TRANSFORMATION

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23		2023/ 24	2024/ 25	2025/ 26
1. Efficient licensing	Reports of Licence applications considered within 60-day legislated timeframes	% of fully compliant licence applications considered within the 60-day legislated timeframes	90%	93%	40.4%	60%	70%	80%	80%	80%

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25			
	Q1	Q2	Q3	Q4
% of fully compliant licence applications considered within 60-day legislated timeframes	80%	80%	80%	80%

3.1.5.2 BUDGET SUB-PROGRAMME: LIQUOR TRADER DEVELOPMENT

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23		2023/ 24	2024/ 25	2025/ 26
Transformed and Sustainable Liquor Industry in the Province	Proof of formal registration of liquor traders' association	Number of new formal liquor traders' associations facilitated	16	3	2	2	3	2	2	2
	Proof of newly established liquor traders participating micro/retail level of liquor industry value chain and diversification of the business	Number of Black liquor traders' facilitated to participate at higher levels of the value chain	10	-	0	1	2	2	2	2
	Reports on the number of liquor related projects facilitated to support economic development in the province	Number of projects facilitated to contribute to local economic development	9	New Indicator	New Indicator	New Indicator	3	2	2	2

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Number of new formal liquor traders' associations facilitated	2	-	-	-	2
Number of Black liquor traders' distributors facilitated to participate at higher levels of the value chain	2	-	-	-	2
Number of projects facilitated to contribute to local economic development	2	-	-	-	2

Explanation of planned performance over the medium-term period

- Efficient licensing will enhance and attract investment into the liquor industry and thereby increase economic activity that will contribute towards job creation and skills development in the province. The enhancement of a licensing system is a critical enabler in processing applications. The automation of the licence application process will also enable applicants to apply from the comfort of their homes.
- Increased participation by the previously disadvantaged will change the transformation profile of the industry at both retail and micro manufacturing levels. Despite efforts by the ECLB in this regard the biggest challenge remains the introduction of black entrepreneurs into the micro manufacturing sector as potential development finance institutions demonstrate a lack of appetite for the liquor industry. DEDEAT has been approached to consider the following:
 - Support initiatives geared towards the transformation of the industry, most notably around micro manufacturing and wholesaling.
 - Approaching the big liquor industry to set up a special purpose vehicle (Development Fund) to support Black retailers who aspire to graduate from retail to wholesale /distribution level.
- The liquor trader's development programme will contribute towards the efforts to transform the industry.
- In contributing to the economic regeneration of the province and contributing to prioritising township economy development, the Entity has developed a new indicator that will facilitate and promote locally produced products and full value creation thereof.

Licensing programme resource considerations

Programme	Audited outcome		Medium term expenditure framework					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Licensing	6 320	6 625	7 075	6 654	8 567	7 690	8 034	8 403
Total	6 320	6 625	7 075	6 654	8 567	7 690	8 034	8 403
Rand thousand								
Economic classification								
Current payments	6 320	6 625	7 075	6 654	8 567	6 692	8 034	8 403
Compensation of employees	5 361	5 641	5 776	5 595	7 459	6 692	7 094	7 420
Salaries and wages	5 361	5 641	5 776	5 595	7 459	6 692	7 094	7 420
Goods and services	959	984	1 299	1 059	1 108	998	940	983
Administrative fees	-	141	199	408	131	-	-	-
Advertising	371	349	333		111	116	19	20
Communication (G&S)	57	22	31	-	-	-	-	-
Consultants and professional services	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	14	112	27	-	-	-	-	-
Travel and subsistence	136	75	130	381	500	500	522	546
Operating payments	381	176	579	270	366	382	399	417
Rental and hiring	-	109	-	-	-	-	-	-
Total	6 320	6 625	7 075	6 654	8 567	7 690	8 034	8 403

Legislative obligations of this division include adhering to timelines in terms of the Act which are managed through a pipeline for processing applications as legislated. Inability to adhere to legislated timelines exposes the Entity and the Eastern Cape Government to litigations for potential loss of revenue by applicants which can be cured by adequately funding Entity operations.

3.1.6 BUDGET PROGRAMME: COMPLIANCE AND ENFORCEMENT

Purpose of the Programme: The principal responsibility of the Compliance and Enforcement Division is to ensure that appropriate steps are taken against those selling liquor outside the administrative and regulatory framework established in terms of the Eastern Cape Liquor Act No.10 of 2003 and that community considerations on the registration of retail premises are considered. In this regard, working with other law enforcement agencies, the division plays a critical role towards achieving the goal of a responsible liquor trading in the Eastern Cape that promotes safe communities.

3.1.6.1 BUDGET SUB-PROGRAMME: PRE-REGISTRATION COMPLIANCE

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27
Compliant liquor trading and regulated access to alcohol	Reports on the number of pre-registered applications inspected	% of pre-registration inspections conducted	90%	73%	60%	75%	80%	80%	90%	95%	

Output Indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
% of pre-registration inspections conducted	80%	80%	80%	80%	80%

3.1.6.2 BUDGET SUB-PROGRAMME: POST-REGISTRATION COMPLIANCE

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
Compliant liquor trading and regulated access to alcohol	Reports on the number of compliance inspections conducted	Number of compliance inspections conducted to ensure compliance with liquor regulations	7 415	45%	60%	2 700	3 500	3 000	5 000	6 000

Output Indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Number of compliance inspections conducted to ensure compliance with liquor regulations	3 000	500	1 000	750	750

3.1.6.3 BUDGET SUB-PROGRAMME: COMPLAINTS MANAGEMENT

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
Compliant liquor trading and regulated access to alcohol	Reports on Illegal Liquor outlets identified. Reports on the rand value of illegal liquor confiscated	Number of blitz operations conducted with law enforcement agencies to enforce compliance with legislation	378	50	48	60	60	60	65	70

Output Indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Number of blitz operations conducted with law enforcement agencies to enforce compliance with legislation	60	10	20	15	15

Explanation of planned performance over the medium-term period

- Responsibilities of the Compliance and Enforcement Division include ensuring that community considerations on the registration of retail premises are taken into account. Reliance is largely placed on municipalities and the Entity engages various local authorities in educating and emphasizing the role of the ward councillors and the municipalities in the licensing process:
- The division conducts preregistration compliance inspections which entail in loco inspections to verify inter alia the suitability of the premises, the veracity of community consultation and other relevant information.
- Post-registration inspections are undertaken to ensure compliance with the administrative and regulatory framework of the Act. This encompasses trading conditions, municipal by-laws and other relevant prescripts.
- The Entity further engages in the development of municipal by-laws with COGTA, SALGA and Municipalities, including the capacitation of Councillors on their role in the liquor licences application process.
- Compliance inspections and blitz operations with law enforcement agencies are conducted to monitor and enforce compliance with liquor regulations. These will contribute to ensuring that there is responsible trading in communities. The strengthened relations with law enforcement agencies including national, provincial, and local sphere to ensure compliance and close down illegal trading will assist in achieving the planned targets:
- The division conducts joint blitz operations with relevant law enforcement agencies including Home Affairs' Immigration Unit, the SAPS and Municipal law enforcement.
- The division receives, registers, and attends to complaints that arise as a result of inconsiderate liquor trading. In this regard there is a complaints management system in the form of a toll-free line through which members of the public can report their challenges.
- Through these approaches, i.e., blitz and the toll-free complaints system, we are able to identify illegal liquor trading which are then processed through the criminal justice system.

CED Programme resource considerations

Programme	Audited outcome 2019/20	Appropriation 2020/21	Medium term expenditure framework					2026/27
			2021/22	2022/23	2023/24	2024/25	2025/26	
			Rand thousand					
Compliance and enforcement	24 766	23 858	25 676	26 773	34 266	33 347	27 532	32 254
Total	24 766	23 858	25 676	26 773	34 266	33 347	27 532	32 254
Economic classification								
Current payments	24 766	23 858	25 676	26 773	34 266	33 347	27 532	32 254
Compensation of employees	19 529	19 536	21 048	19 859	25 494	27 377	29 929	31 856
Salaries and wages	19 529	19 536	21 048	19 859	25 494	27 377	29 929	31 856
Goods and services	5 237	4 322	4 628	6 914	8 772	5 970	(2 397)	398
Catering: Departmental activities	5	3	-	-	-	-	-	-
Communication (G&S)	92	48	3	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-
Administrative Fees	-	2	299	1 206	-	93	-	-
Fleet services (including government motor transport)	623	26	103	-	1 102	944	598	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	15	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	19	404	-	-	-	-	-
Property payments	24	68	52	119	89	944	-	-
Travel and subsistence	1 312	2 250	915	3 326	5 295	1 078	(1 196)	398
Operating payments	1 068	1 230	1 437	72	75	78	1	-
Rental and hiring	2 098	676	1 415	2 191	2 211	2 833	(1 800)	-
Total	24 766	23 858	25 676	26 773	34 266	33 347	27 532	32 254

Operations of this division are amongst the key cost drivers of the Entity, they are labour intensive and require traveling long distances for compliance inspections as well as monitoring blitz operations. Review of funding for this division is necessary in order to manage current budgetary pressures as well as meet legislative demands.

The Entity currently has 21 inspectors responsible for compliance monitoring and inspections throughout the province. The inspectors are expected to conduct pre-registration inspections, follow-up on the applications issued with Sections 22(5) notices, post-registration inspections, attend to complaints lodged as well as blitz operations. This contributes to applications not being considered within the legislated timeframes. There is a need to hire additional inspectors to improve the health and wellness of the inspectors and alleviate the burden of work faced by individual inspectors.

3.1.7 BUDGET PROGRAMME: SOCIAL ACCOUNTABILITY

Purpose of the Budget Programme: The Social Accountability Division is responsible for raising awareness and educating the public on the adverse effects of alcohol consumption through Anti-Alcohol Abuse Awareness programmes.

BUDGET SUB-PROGRAMME: HARM REDUCTION

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE 2023/ 24	MEDIUM-TERM TARGETS		
				2020/21	2021/22	2022/23		2024/ 25	2025/ 26	2026/27
Reduction in alcohol abuse & behavioural change towards alcohol consumption	Reports on the interventions per theme implemented	Number of thematic reports on the anti-alcohol abuse interventions conducted	1 240	160	291	4	4 thematic reports on the 195 anti-alcohol abuse interventions conducted	4 thematic reports on the 200 anti-alcohol abuse interventions conducted	4 thematic reports on the 220 anti-alcohol abuse interventions conducted	4 thematic reports on the 240 anti-alcohol abuse interventions conducted
	Confirmation reports regarding people reached with messages of liquor abuse. Platforms utilised to reach people for awareness	Number of people reached through education and awareness interventions and social responsibility initiatives	309 000	56 000	29 000	60 000	65 000	75 000	80 000	85 000
Empowered communities through Social Responsibility /CSI Programme of the ECLB	Reports Projects / tools / events implemented as a plough back to communities	Number of social responsibility programmes conducted	58	8	8	11	12	13	14	18

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS				
				2020/21	2021/22	2022/23		2023/ 24	2024/ 25	2025/ 26	2026/27	
	Evaluation reports demonstrating desired outcomes as a result of Social Responsibility Programme implemented											
	Assessment and evaluation report produced annually	Number of assessment and evaluation reports produced on the interventions conducted	3	New	New	1	1	0	1	1		

The indicator relating to number of anti-alcohol abuse interventions conducted is measuring the thematic programmes relating to underage drinking, drunk driving, foetal alcohol syndrome and community awareness programmes. The main activities under these themes will be comprehensively provided when reporting.

Outputs indicators: annual and quarterly targets

Output Indicators	Annual Target 2024/25	Q1	Q2	Q3	Q4
Number of thematic reports on the anti-alcohol abuse interventions conducted	4 Reports on the 200 anti-alcohol abuse interventions conducted	4	4	4	4
Number of social responsibility initiatives conducted	13	3	4	3	3
Number of people reached through education and awareness interventions and social responsibility initiatives	75 000	20 000	18 500	16 500	20 000
Number of assessment and evaluation reports produced on the interventions conducted	0	-	-	-	-

Explanation of planned performance over the medium-term period

- The anti-alcohol abuse intervention initiatives contribute to ensuring that members of the community are effectively and meaningfully educated on responsible consumption of alcohol so that the high rate of excessive consumption of alcohol is considerably reduced in the Eastern Cape. In order to enhance the education of communities on the scourge of alcohol abuse, a thematic approach has been adopted by focusing on key areas such as underage drinking, binge drinking and trading, road users, and FAS (pregnant women).
- Social Accountability will design intervention initiatives that are underpinned by key messages on underage drinking, binge drinking and trading, drunk driving, and Foetal Alcohol Syndrome. In seeking to fulfil the implementation of Social Accountability Programme, the Entity will harness the resources of the local community in undertaking its entire programme. This will ensure that support and assistance is provided particularly to members of the community and vulnerable groups that recklessly consume alcohol. A specific intervention activation plan will be developed to address each of the thematic areas with a view to alleviate the excessive consumption of alcohol and promotion of responsible trading.
- In seeking to reach a substantial number of its target audiences with messages on responsible alcohol consumption and responsible trading, Social Accountability has utilised multi-media platforms that have inherent potential to penetrate diverse sectors of society.
- Henceforth, a rigorous multi-media campaign will continue to constitute the Social Accountability programme to ensure that a broad spectrum of society continues to receive anti-alcohol abuse messages.
- To this end, the concept of the multi-media campaign will increasingly be adopted and will be characterised by the rolling out of outdoor advertising, utilisation of both electronic and print media, and the use of social media platforms.
- Facilitation of the social responsibility programmes will also ensure that various community groups are committed to social activities such as sport, traditional, and facilitation of economic activities instead of consuming alcohol and when they choose to, do so responsibly.
- Social responsibility programmes for the period will also focus on current communication mechanisms and trends by using amongst others social media platforms and social influencers.

Programme resource considerations

Programme	Audited outcome 2019/20	Appropriation 2020/21	Medium term expenditure framework					2024/25	2025/26	2026/27
			2021/22	2022/23	2023/24	2024/25	2025/26			
Rand thousand										
Social accountability	4 145	7 939	7 714	7 840	13 368	9 788	7 718	3 062		
Total	4 145	7 939	7 714	7 840	13 368	9 788	7 718	3 062		
Economic classification										
Current payments	4 145	7 939	7 714	7 840	13 368	9 788	7 718	3 062		
Compensation of employees	2 460	2 577	3 961	3 973	5 675	2 780	2 905	3 039		
Salaries and wages	2 460	2 577	3 961	3 973	5 675	2 780	2 905	3 039		
Goods and services	1 685	5 362	3 753	3 867	7 693	7 008	4 813	23		
Advertising	249	3 292	2 367	1 412	2 165	2 458	1 976	23		
Communication (G&S)	24	28	33	-	-	-	-	-		
Fleet services (including government motor transport)	11	55	126	-	-	-	-	-		
Travel and subsistence	435	1 443	252	521	817	2 331	519			
Operating payments	966	544	975	1 934	4 711	2 219	2 318			
Total	4 145	7 939	7 714	7 840	13 368	9 788	7 718	3 062		

This division has relied heavily on and partnerships with the industry and other relevant stakeholders which have sustained operations for this division in prior years. With escalating cases of irresponsible and inconsiderate trading and drinking that leads to fatalities, additional funding is required for the entity to increase its workforce as well as conduct robust education and awareness campaigns throughout the province.

The Anti-Alcohol Abuse Programme aimed at universities and TVET Colleges has seen the Entity employing 17 unemployed graduates that facilitate programmes in all universities within the province aimed at curbing abuse of alcohol.

4. ORGANISATIONAL KEY RISKS

#	Outcome	Key Risk	Risk Mitigation
1.	Efficient licencing	<ul style="list-style-type: none"> Incompatibility between expectations and legal prescripts: <ol style="list-style-type: none"> ECLB is insufficiently empowered by the Act to fully execute its mandate relating to processing of liquor licence applications (Differing interpretations by various stakeholders e.g. expectation of thresholds of licences to be made vs no legal provision that regulates the licences). 	<ul style="list-style-type: none"> Monitor adherence to standard operating procedures and effect consequence management. (Pipeline management) on a quarterly basis. Public education and awareness in line with Identifying target group through communication strategy by CEO and the Board annually. Developing an implementation plan for the new Act and reporting the progress of the plan to the oversight board on a quarterly basis. Resource mobilization, strengthening of stakeholder collaboration and rigorous implementation and monitoring of communication strategy.
2.	Good corporate governance	<ul style="list-style-type: none"> Negative public perception of the ECLB (Reputational risk) 	<ul style="list-style-type: none"> Regular profiling of ECLB work in various media platforms. Strengthening of relations with various media platforms. Continuous mobilisation of stakeholder partnerships. Increased use of various online media platforms
3.	Compliant liquor trading and regulated access to alcohol	<ul style="list-style-type: none"> Insufficient Financial and Human Resources: <ol style="list-style-type: none"> ECLB is inadequately resourced by provincial government to carry out empowerment programmes as planned, inspections and attendance to complaints. 	<ul style="list-style-type: none"> Resource capacitation from the private and public sector. Collaborate with other government departments and parastatals (National, Provincial, and Local). Monitoring of adherence to standard operating procedures. Rigorous implementation and monitoring of communication strategy. Review of organisational structure. Re-allocate available budget Develop a plan to attain alternative revenue sources
4.	Reduction in alcohol abuse and behavioural changes towards alcohol consumption	<ul style="list-style-type: none"> Inappropriate conduct by the industry, consumer, and the society: <ol style="list-style-type: none"> Persistent flouting of trading conditions by both traders and consumers undermines the work of the Regulator. Reputational risk (Industry faced with negative perceptions- socio-economic impact) 	<ul style="list-style-type: none"> Enhanced relations with SAPS, CBOs, and local government as well as the industry. Partnering with liquor traders to implement local CSR programmes. Public Education and Awareness through multimedia. Resource mobilization, strengthening of stakeholder collaboration and rigorous implementation and monitoring of communication strategy. Seeking research through partnerships which will lead to evidence/data which may be relied upon. Create awareness (ECLB to change the mindset of communities to see the opportunities

#	Outcome	Key Risk	Risk Mitigation
			<ul style="list-style-type: none"> linked with liquor licencing). Professionalise the liquor industry (encourage the liquor sellers to be registered as SMMEs)
5.		<ul style="list-style-type: none"> Inability to maintain an elevated governance profile: <ol style="list-style-type: none"> Possible regression of audit status and achieving organisational strategic goals 	<ul style="list-style-type: none"> Preparation of Oversight Reports. Integration of systems (manual and digitised) Mobilisation of resources (Including funds towards contribution to the skills development levy) Review and monitor the implementation of skills development plan Review of organisational structure and source funding Performance Management Conduct awareness workshops on COVID-19 prevention measures Review Leave Management Policy
6.	Good corporate governance	<ul style="list-style-type: none"> Non-compliance with all applicable laws and regulations (with applicable laws and regulations, e.g. POPIA, Language legislation) 	<ul style="list-style-type: none"> Provide training to staff on the requirements of the enabling Liquor Act, POPIA and PFMA and associated laws. Develop a compliance assessment tool or checklist and make it available to every employee. Each unit should prepare a report quarterly that details any incidents of non-compliance with the Act. Enforce consequence management on employees found to be non-compliant. Formal compliance management system
7.		<ul style="list-style-type: none"> Fraud risk (institution exposed to fraud and corruption due to weak controls and inadequate consequence management) 	<ul style="list-style-type: none"> Automation and integration of compatible organisational systems. Enforce security measures in all processes
8.		<ul style="list-style-type: none"> Inadequate ICT that supports the ECLB business (infrastructure to support the needs of the organisation, optimization of the ICT systems and internal controls) 	<ul style="list-style-type: none"> Review of organisational structure and source funding. Research, development and implementation of maintenance and support applications. Collaboration with relevant stakeholders. Incorporate the review of performance of service providers within the SLA ICT to track and report on the performance of systems provided by service providers.
9.	Good corporate governance	<ul style="list-style-type: none"> Inability of the Entity to manage disasters (e.g. water and electricity, fire, natural disasters etc.): <ol style="list-style-type: none"> Inability to develop backup plans to 	<ul style="list-style-type: none"> Regular and timely communication to relevant stakeholders. Continued monitoring of relevant policies. Continued communication and empowerment of staff around disaster management. Development of a comprehensive disaster response plan and monitor implementation.

#	Outcome	Key Risk	Risk Mitigation
		<p>manage water shortages and electricity outages</p>	<ul style="list-style-type: none"> Establish a disaster management committee (e.g. health and safety committee).
10.	<ul style="list-style-type: none"> Possible instability of the organisation as a result of a possible merger. 	<ul style="list-style-type: none"> Lack of transformation for the liquor industry 	<ul style="list-style-type: none"> Matter is raised in the quarterly report to the shareholder.
11.		<ul style="list-style-type: none"> Lack of good organisational culture 	<ul style="list-style-type: none"> Lobbying government and big businesses to be receptive and support transformation initiatives. Resource mobilization from government and private sector to support projects related to transformation of the industry.
12.			<ul style="list-style-type: none"> Continuous improvement and monitoring of admin staff (to improve on customer relations) (HR plans). Breakdown the SOP so that it is easier to understand for staff (include on training above). Communication of strategy and APP across employees. Conduct annual satisfaction surveys (internal and external).
13.	<ul style="list-style-type: none"> Lack of intentional cooperation with other spheres (municipalities and other stakeholders) to support ECLB initiatives. 		<ul style="list-style-type: none"> Targeted lobbying of relevant stakeholders for cooperation and support. Showcasing/marketing of the Liquor Board mandate to address the limitations in understanding the role of the ECLB. Pro-active advocacy programme to influence decision making by other spheres of government to support execution of ECLB mandate.
14.		<ul style="list-style-type: none"> Inadequate information to make informed decisions due to limited research capacity 	<ul style="list-style-type: none"> Formalise and leverage on existing research capacity. Mobilization of partnerships with relevant research institutions. Mobilizing funding for internal research capacity
15.	<p>Efficient licencing</p>	<ul style="list-style-type: none"> Incompatibility between expectations and legal prescripts: <ol style="list-style-type: none"> ECLB is insufficiently empowered by the Act to fully execute its mandate relating to processing of liquor Licence applications (Differing interpretations by various stakeholders e.g. expectation of thresholds of licences to be made vs no legal provision that regulates the licences). 	<ul style="list-style-type: none"> Monitor adherence to standard operating procedures and effect consequence management. (Pipeline management) on a quarterly basis. Public Education and Awareness in line with Identifying target group through communication strategy by CEO and the Board annually. Developing an implementation plan for the new Act and reporting the progress of the plan to the oversight board on a quarterly basis. Resource mobilization, strengthening of stakeholder collaboration and rigorous implementation and monitoring of communication strategy.



EASTERN CAPE
LIQUOR BOARD



**PART
D**

**TECHNICAL
INDICATOR DESCRIPTIONS
(TIDS)**

PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDS)

1	Indicator Title	Audit Outcome
	Definition	This refers to the audit outcome given by the AG after auditing the financial information of the organisation. The purpose is to ascertain if the organisation is managing its finances responsibly, effectively and line with the prescripts of legislation.
	Source of data	AG report
	Method of Calculation / Assessment	Audit opinion issued
	Indicator Method	Non-Cumulative
	Assumptions	Adherence to prescripts, internal controls in place
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	Clean audit outcome
	Indicator Responsibility	CFO

2.	Indicator Title	HR Maturity Level
	Definition	The target refers to the measuring of effectiveness, and efficiency of HR services within the organisation. The target will be measured against the performance management on effectiveness and efficiency on recruitment and employment equity plan implementation, labour relations, management of employee performance, development of employees and existence of systems.
	Source of data	HR Plan, Skills Development Plan, Employee Wellness Plan, Employment Equity Plan
	Method of Calculation / Assessment	A matrix of the factors to be assessed which include targets set in HR plan/recruitment, skills development plan, health and wellness plan, employment equity plan. The matrix tool will be used to determine maturity level. Levels range from 1 as lowest to 5 as highest.
	Indicator Method	Cumulative Year-to-Date
	Assumptions	Availability of resources for implementation i.e. budget
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annual
	Desired performance	Level 3 or more is desirable
	Indicator Responsibility	Senior Manager: Corporate Services

3.	Indicator Title	Percentage spent on Eastern Cape SMME's
	Definition	This refers to procurement of goods and services done through SMME's. To provide support and development of SMME's
	Source of data	National Treasury Central supplier data base
	Method of Calculation / Assessment	Expenditure through SMME's divided by total goods and services expenditure multiplied by 100.
	Indicator Method	Cumulative Year-to-Date
	Assumptions	None
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	40% or more is desirable.
	Indicator Responsibility	Senior Manager: Corporate Services
4.	Indicator Title	ICT Governance framework implemented
	Definition	This refers to the implementation of ICT Governance as per Department of Public Service and Administration guidelines. The purpose of ICT governance is to ensure that the acquisition, management and use of ICT improves and enables the Entity to be efficient and effective in delivering on the mandate.
	Source of data	ICT Governance Policy, ICT Security policy, ICT Steering Committee Members appointment letters, ICT Steering Committee Minutes.
	Method of Calculation / Assessment	Using MPAT Assessment tool (Maturity level)
	Indicator Method	Non-Cumulative
	Assumptions	Lack of Resources, Training, and budgetary constraints
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	Level 4 maturity and above is desirable
	Indicator Responsibility	ICT Manager

5.	Indicator Title	Organisational performance index/ percentage achieved
	Definition	This index is expressed as a percentage for organisational performance. It is derived from the APP planned targets and the reported achieved targets as per quarterly reports. The purpose is to measure and evaluate the performance of the organisation against the targets set in the Annual Performance Plan and ensure corrective actions are taken on time.
	Source of data	Quarterly Performance Reports
	Method of Calculation / Assessment	This will be the number of achieved indicator targets divided by the quarterly total number of indicators multiplied by 100.
	Indicator Method	Cumulative Year-to-Date
	Assumptions	Portfolio of evidence to prove achievement
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	>80% is desirable
	Indicator Responsibility	Manager: Strategic Planning

6.	Indicator Title	% of fully compliant licence applications considered within 60 days legislated timeframes
	Definition	This refers to 60% of the fully compliant applications received and considered by the Licensing Committee (LC) within the 60-day legislated timeframes submitted by the CED Division. Fully compliant refers to: completed application with supporting documents, proof of community consultation, and inspection report The 60 days refers to when a fully compliant application has been received read for LC. A submission of compliant applications to the Licensing Committee and the Board for consideration is prepared within 60 days from the date of inspection report; Communicate outcomes within 30 days of Board decision.
	Source of data	ECLB licensing system
	Method of Calculation / Assessment	% of new applications considered within the legislated timeframe divided by total applications received multiplied by 100.
	Indicator Method	Cumulative to date
	Assumptions	All relevant stakeholders involved in the processing of application comply with the stipulated timeframes for them to fulfil their roles.
	Disaggregation of Beneficiaries (where applicable)	Not applicable
	Reporting Cycle	Quarterly
	Desired performance	100% compliance
	Indicator Responsibility	Senior Manager: Licensing

7.	Indicator Title	Number of new formal liquor traders' associations facilitated
	Definition	This indicator refers to the number of Liquor Traders' associations facilitated for establishment. These associations are established within the area of operation. It is intended to support liquor traders to grow their businesses and move up the liquor industry value chain by forming associations.
	Source of data	Proof of lodgements
	Indicator Method	Simple count of new formal traders' associations facilitated.
	Method of Calculation / Assessment	Cumulative to date
	Assumptions	There will be traders who respond to the call to grow and form associations.
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	It is desirable to have more new formal traders' associations formed
	Indicator Responsibility	Senior Manager Licensing

8.	Indicator Title	Number of Black liquor traders' distributors facilitated to participate at higher levels of the value chain
	Definition	This indicator refers to the number of Black Liquor Traders that will be assisted to move up/ participate beyond micro/retail level of the liquor trader value chain, including diversification of businesses. It is intended to support liquor traders to grow their businesses and move up the liquor industry value chain by becoming distributors.
	Source of data	Proof of submission of application to DTIC/National Liquor Authority (NLA)
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	Simple count of liquor traders moving up/participating beyond micro/retail level of the liquor trader value chain.
	Assumptions	Challenge with sourcing funds; Positive response from traders in forming a distributor.
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	Actual performance that is higher than targeted performance is desirable.
	Indicator Responsibility	Senior Manager Licensing

9.	Indicator Title	Number of projects facilitated to contribute to local economic development
	Definition	This refers to the number of projects proposals that will be facilitated for funding to contribute to local economic development. Applications will be received from the liquor traders or persons interested to venture into the industry and submitted to facilitate funding opportunities from various stakeholders including financial institutions and government.
	Source of data	Proof of engagements with potential funders
	Method of Calculation / Assessment	Number of proposals received and submitted to potential funders.
	Indicator Method	Non-Cumulative
	Assumptions	No funding application will be funded.
	Disaggregation of Beneficiaries (where applicable)	This will depend on the merits of each application received
	Reporting Cycle	Annually
	Desired performance	100% compliance
	Indicator Responsibility	Senior Manager: Licensing

10.	Indicator Title	% of pre-registration inspections conducted
	Definition	This refers to all applications for registration of liquor licenses that have been received and are ready for preregistration inspection. The inspectors conduct physical inspections at the premises that will used for the sale of liquor.
	Source of data	Licence applications received
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	Percentage of licence applications pre-inspected against the total received during the quarter. The annual total will be the sum of the quarterly applications inspected.
	Assumptions	Meeting timelines may be affected by the high reliance on third parties such as ward councillors and verification of information by relevant municipal departments
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	To achieve desired performance, at least 90% of applications received must be inspected.
	Indicator Responsibility	Chief Inspector

11.	Indicator Title	Number of compliance inspections conducted to ensure compliance with liquor regulations
	Definition	This refers to the compliance inspections on selected licenced on and off consumption liquor outlets in residential areas, both urban and rural, where compliance checks are conducted in terms of general provisions of the Act and trading conditions. It measures compliance levels against provisions of the ECLA and licence conditions. Focus is mainly on problematic outlets as they tend to trade inconsiderately. This indicator will be implemented based on the categorisation of liquor licenses holders to be inspected. Each year, a set of focus/ priority areas for inspections will be agreed on and measured.
	Source of data	Post registration inspection reports containing verification of registrant particulars, premises and adherence to trading conditions
	Method of Calculation / Assessment	Counting of inspection reports completed on inspection.
	Indicator Method	Cumulative to date
	Assumptions	Unforeseen circumstances such as declared disasters and security considerations
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	Actual performance that meets the targeted performance is desirable.
	Indicator Responsibility	Chief Inspector

12.	Indicator Title	Number of blitz operations conducted with law enforcement agencies to enforce compliance with legislation
	Definition	Refers to a concerted effort by ECLB together with various stakeholder targeting illegal and non-compliant liquor outlets. To ensure that appropriate steps are taken against those selling liquor outside the administrative and regulatory framework established in terms of the Act.
	Source of data	Operational plans for the blitz, the attendance register and the situational report.
	Method of Calculation / Assessment	Simple count of blitz operations planned and conducted
	Indicator Method	Cumulative to date
	Assumptions	Reliance on SAPS and availability of stakeholders (in particular SAPS, municipal law enforcement agencies, Department of Home Affairs Immigration division) may affect the output.
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	Actual performance that meets the targeted performance
	Indicator Responsibility	Chief Inspector

13.	Indicator Title	Number of thematic reports on the anti-alcohol abuse interventions conducted
	Definition	This refers to thematic programmes relating to underage drinking, drunk driving, foetal alcohol syndrome and community awareness programmes/initiatives that are undertaken to empower communities with information and knowledge on how to responsibly use alcohol targeting schools, clinics, communities, farms and liquor outlets through community sessions, workshops, printed material, print media, electronic media, and social media.
	Source of data	Report outlining interventions undertaken per thematic area; attendance registers, newspaper clips, recorded radio adverts indicating themes of the campaigns and regions where they have been conducted
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	<ul style="list-style-type: none"> • Simple count of the number thematic reports on the anti-alcohol abuse interventions initiatives conducted. The reports will be equal to the number of thematic areas per quarter.
	Assumptions	<ul style="list-style-type: none"> • It is assumed that a reasonable number of people will attend Social Accountability intervention initiatives • The emphasis of messages during education and awareness sessions will result to the change of behaviour
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Members of community • Farm workers • Women • Youth (both out-of-school and school-going) • People living with disabilities • Liquor traders • Road users (both drivers & pedestrians)
	Reporting Cycle	Quarterly
	Desired performance	It is desirable that more education and awareness initiatives are conducted, and more positive media coverage is secured
	Indicator Responsibility	Senior Manager Social Accountability

14.	Indicator Title	Number of social responsibility initiatives conducted
	Definition	This refers to the social responsibility initiatives that are intended to sponsor and support communities through projects that provide alternative, such as the facilitation of sporting activities and support to community cooperatives
	Source of data	A schedule for the social responsibility initiatives, attendance registers indicating themes for the initiatives implemented, dates and areas where they are implemented
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	Count of social responsibility initiatives conducted
	Assumptions	<ul style="list-style-type: none"> Targeted members of the community will meaningfully participate in the planned programmes The implementation of the social responsibility programme will reduce excessive consumption of alcohol
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Members of community Farm workers Women Youth (both out-of-school and school-going) People living with disabilities Liquor traders
	Reporting Cycle	Quarterly
	Desired performance	It is desirable that more social responsibility initiatives are conducted, and stakeholder support is attained
	Indicator Responsibility	Senior Manager Social Accountability

15.	Indicator Title	Number of people reached through education and awareness interventions and social responsibility initiatives
	Definition	This refers to the number of people that will be accessed through the education and awareness campaigns and social responsibility initiatives
	Source of data	The attendance registers of the people that attended education and awareness and social responsibility initiatives. In the case of schools, a designed form with a school stamp.
	Method of Calculation / Assessment	Number of people that attended education and awareness campaigns and social responsibility initiatives.
	Indicator Method	<ul style="list-style-type: none"> Cumulative to date
	Assumptions	<ul style="list-style-type: none"> It is assumed that more people will attend the social responsibility initiatives
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Members of community Farm workers Women Youth (both out-of-school and school-going) People living with disabilities Liquor traders Road users (both drivers & pedestrians)
	Reporting Cycle	Quarterly
	Desired performance	It is desirable that targeted people for all the education and awareness interventions and social responsibility initiatives are reached with messages of anti-alcohol abuse
	Indicator Responsibility	Senior Manager Social Accountability

16.	Indicator Title	Number of assessment and evaluation reports produced on the interventions conducted
	Definition	<ul style="list-style-type: none"> This refers to both baseline assessment and evaluation of the Social Accountability intervention initiatives. Baseline assessment entails sourcing of baseline data that will inform Social Accountability interventions, and subsequent to the implementation, an evaluation will be undertaken to determine programme effectiveness /impact.
	Source of data	<ul style="list-style-type: none"> Baseline assessment and evaluation reports
	Method of Calculation / Assessment	<ul style="list-style-type: none"> Number of assessment and evaluation reports generated
	Indicator Method	<ul style="list-style-type: none"> Cumulative to date
	Assumptions	<ul style="list-style-type: none"> It is assumed that Social Accountability intervention initiatives will be evaluated to determine the impact and various research entities will provide necessary support to fulfil this indicator.
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> N/A
	Reporting Cycle	<ul style="list-style-type: none"> Annually
	Desired performance	<ul style="list-style-type: none"> It is desirable that social accountability intervention initiatives are effectively informed by a baseline assessment and after implementation an evaluation process is embarked upon.
	Indicator Responsibility	<ul style="list-style-type: none"> Senior Manager Social Accountability



EASTERN CAPE LIQUOR BOARD



ANNEXURE A: DISTRICT DEVELOPMENT MODEL

This is a summary of projects/ interventions related to the services to be delivered with district municipalities during the strategic planning period. For each project, the information includes the allocated budget, its location within the district and roles and responsibilities of the stakeholders involved.

Area of intervention	Description of intervention/ project	Budget allocation	District municipality	Location GPS COORDINATES	Project leader	Social partners
Youth education and empowerment	Empowerment of young people with knowledge on responsible alcohol consumption through facilitation of sporting programme and other social activities		OR Tambo, Chris Hani, Buffalo City, Alfred Nzo, Amathole, Sara Baartman & Joe Gqabi	In the local Municipalities and Metros	Manager Social Accountability	Social Development, Education, SAPS, Health, the liquor industry, NGOs, Civil Society, media organisations, municipalities
Community empowerment through the social responsibility programme	Facilitation of community-based projects that seek to provide an alternative to members of the community		OR Tambo, Chris Hani, Buffalo City, Alfred Nzo, Amatole Sara Baartman & Joe Gqabi, Nelson Mandela Metro	In the local Municipalities and Metros	Manager Social Accountability	Social Development, Education, SAPS, Health, liquor industry, NGOs, Civil Society, media organisations, municipalities

ANNEXURE B: AMMENDMENTS TO APP AND STRATEGIC PLAN

(i) Changes to Budget Programme

BUDGET PROGRAMME	BUDGET SUB-PROGRAMME	DIVISIONS
ONE: CORPORATE SERVICES MANAGEMENT & ADMINISTRATION	<ul style="list-style-type: none"> Financial Management Services Strategic Management Services Office of the CEO ICT Corporate Services 	<ul style="list-style-type: none"> OCEO Finance Corporate Services ICT Strategic Planning/Management Services Legal Services and Board Admin
TWO: LICENSING	<ul style="list-style-type: none"> Licensing Administration Liquor Trader Development and Transformation 	<ul style="list-style-type: none"> Licensing
THREE: COMPLAINCE AND ENFORCEMENT	<ul style="list-style-type: none"> Pre-Registrations Post-Registrations Illegals/Complaints 	<ul style="list-style-type: none"> Compliance and Enforcement
FOUR: HARM REDUCTION AND SOCIAL ACCOUNTABILITY	<ul style="list-style-type: none"> Harm Reduction and Awareness Corporate Social Investments Communications Research and Innovation Stakeholder Management and Relations 	<ul style="list-style-type: none"> Social Accountability

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