



PROVINCE OF THE EASTERN CAPE
IPHONDO LEMPUMA KOLONI
PROVINSIE OOS-KAAP

**Provincial Gazette
Igazethi Yephondo
Provinsiale Koerant
Extraordinary**

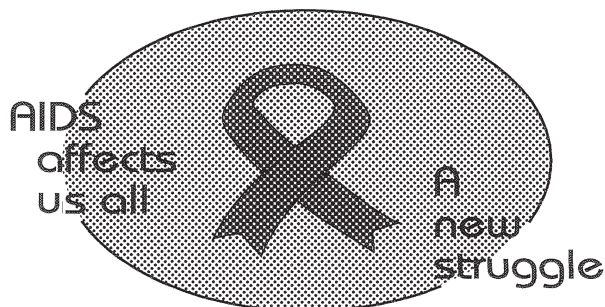
Vol: 28

BISHO/KING WILLIAM'S TOWN

16 July 2021
16 Julie 2021

No: 4594

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DEPARTMENT OF HEALTH

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ISSN 1682-4555



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PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS**PROVINCIAL NOTICE 95 OF 2021****OFFICE OF THE PREMIER****WHITE PAPER ON THE MANDATE OF THE EASTERN CAPE SOCIO-ECONOMIC CONSULTATIVE COUNCIL (ECSECC)**

The Premier of the Province of the Eastern Cape, intends in terms of section 125 (2) (d) of the Constitution of the Republic of South Africa, 1996, to make a White Paper on the mandate of the Eastern Cape Socio- Economic Consultative Council.

Interested persons and organizations are invited to submit any comments or representations within 21 days from date of publication hereof. Written submissions can be forwarded to the following address:

**The Director-General: Eastern Cape Provincial Government, Private Bag
X0047, Bisho 5605**

For attention: Dr N Nombekela – Madiba

Email: Nangamso.Madiba@ecotp.gov.za

Draft White Paper for the Eastern Cape Socio-Economic Consultative Council

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2. LIST OF ABBREVIATIONS / ACRONYMS

AG	AUDITOR-GENERAL
BKCOB	BORDER-KEI CHAMBER OF BUSINESS
CEO	CHIEF EXECUTIVE OFFICER
EA	EXECUTIVE AUTHORITY
ECAC	EASTERN CAPE AIDS COUNCIL
ECNGOC	EASTERN CAPE NGO COLIATION
ECSECC	EASTERN CAPE SOCIO-ECONOMIC CONSULTATIVE COUNCIL
EXCO	EXECUTIVE COUNCIL
GTAC	GOVERNMENT TECHNICAL ADVISORY CENTRE
IDP	INTEGRATED DEVELOPMENT PLAN
MEC	MEMBER OF EXECUTIVE COUNCIL
MTEC	MID-TERM EXPENDITURE COMMITTEE
MTEF	MID-TERM EXPENDITURE FRAMEWORK
NAFCOC	NATIONAL AFRICAN FEDERATED CHAMBER OF COMMERCE
NDP	NATIONAL DEVELOPMENT PLAN
NEDLAC	NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL
NEPF	NATIONAL EVALUATION POLICY FRAMEWORK
NMBCIC	NELSON MANDELA BAY CHAMBER OF INDUSTRY & COMMERCE
OTP	OFFICE OF THE PREMIER
PDP	PROVINCIAL DEVELOPMENT PLAN
PEP	PROVINCIAL EVALUATION PLAN
PFMA	PUBLIC FINANCE MANAGEMENT ACT
PRF	PROVINCIAL REVENUE FUND
SALGA	SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
SLA	SERVICE LEVEL AGREEMENT

3. DEFINITION OF TERMS AND CONCEPTS

Concept	Definition
Catalytic project	A project where a targeted intervention is assumed, according to set methodology or criteria, to have the potential to shift the socio-economic landscape, and/or trigger a series of investments across several sectors, and/or trigger primary and secondary economic and social responses and achieve a broader transformation objective.
Development agenda	A development agenda is an agreed action plan on the set of issues that are the subject of debate and decision making among the stakeholders of ECSECC at any one time.
Innovation	Innovation is the process of transforming an idea, generally generated through R&D, into a new or improved product, service, process or approach and which involves scientific, technological, organisational or business activities.
Long term plan	A long term plan sets long term social and economic vision and goals and is focused on the structural and institutional changes required to change historical trajectories, disrupting path dependency and its socio-spatial manifestations. A long term plan generally covers timeframes from 10-50 years. In the South African planning system, a long term plan is understood as a plan with any time horizon beyond 5 years.
Planning	The Department of Planning, Monitoring and Evaluation (DPME) defines planning in the context of the South African government as "a continuous process which involves decisions or choices made by South African government departments and officials about alternate ways of using available resources with the aim of achieving particular development goals in future" (DPME, 2017: 3).
Policy advice	Provision of recommendations on any public policy matter, developed through a rigorous scientific and participatory methodology as determined by the entity.
Project packaging	Project packaging is inclusive of project planning and preparation to determine the feasibility of proposed capital and/or other catalytic projects, and to mobilise the inputs that will enable its feasibility.
Sector Council	Sector Councils shall consist of members of constituencies based on priorities and the nature of challenges to be addressed, but the emphasis should be on action-oriented multi-agency compacts
Social compact	A process soliciting and ensuring societal support for national or regional development vision and programmes or an agreement between social partners to solve a development, social or economic problem.
Stakeholder	A stakeholder is any individual or group that has an interest in any decision or activity of the entity. Examples of stakeholders are individual and institutions that are members of the Sector Councils, the shareholder, directors, regulatory institutions, employees, suppliers and citizens.
Sustainable development	The United Nations define sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. For sustainable development to be achieved, it is crucial to harmonize three core elements: economic growth, social inclusion and environmental protection. These elements are interconnected and all are crucial for the well-being of individuals and societies.

Technical support	Provision of advisory and project management support to stakeholder institutions.
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4. INTRODUCTION

A resolution of the Executive Council (EXCO) in 1995 led to the establishment of the Office of the Premier's entity, namely, Eastern Cape Socio-Economic Consultative Council (ECSECC). This was aimed at augmenting the Provincial Government's initiatives to develop the economy of the Province and assist the Premier's Office to effectively carry out its mandate. After its establishment, the entity was registered as a Section 21 institution that would primarily play a fundamental consultative and advisory role to the Office of the Premier, concerning economic activities in the Province.

According to the Founding Document, ECSECC was established primarily to assist the Office of the Premier and the Provincial Government to achieve the following:

- a) Advise and assist the provincial government to achieve an integrated development strategy for the Province and its constituent regions to address the economic development of the Province, particularly the needs of deprived communities and underdeveloped areas;
- b) Facilitate and coordinate the implementation of development programmes between all key stakeholders in the Province;
- c) Facilitate development by providing an avenue for formal input into the policy-making process of government;
- d) Support government in advancing efficient service delivery;
- e) Empower communities and the grassroots structures of civil society to engage in development; and to
- f) Assist the provincial government in developing policies and strategies that will facilitate the growth of the provincial economy.

The establishment of ECSECC mirrored the established National Economic Development and Labour Council (NEDLAC) and was intended to promote economic growth and effective stakeholder participation in economic decisions in the province.

With regards to the Public Finance Management Act (PFMA), ECSECC is listed as a schedule 3C entity. The co-operation and accountability arrangement between the Office of the Premier and ECSECC is currently being managed through Service Level Agreement (SLA) and other reporting mechanisms. Simultaneously, ECSECC also accounts to its Board. However, a review of Public Entities, conducted by GTAC in 2015, recommended that enabling legislation be developed for ECSECC to regulate its existence as a public entity. This document seeks

to provide the policy basis for the development of enabling legislation for ECSECC. Furthermore, the policy and legal frameworks will assist in providing a clearly articulated purpose and mandate for the entity.

5. OBJECTIVE OF THE POLICY

This document seeks to provide the policy basis upon which the legislative mandate of ECSECC may be established. In essence, the policy document provides a basis for the drafting and development of the White Paper and the Bill providing enabling legislation for ECSECC as a Public Entity in the Eastern Cape.

6. PROBLEM STATEMENT

ECSECC was established through the Executive Council resolution in 1995 without a legislative mandate. In order to regularise the establishment of ECSECC, a legislative framework need to be developed. ECSECC was mandated to establish a partnership with relevant stakeholders that would drive the development agenda in the Eastern Cape Province, including the fundamental role of NEDLAC.

Pursuant with an all-inclusive provincial development agenda, which is not hamstrung by the government bureaucracy, the entity is expected to provide for alignment of government programmes with long term planning and implementation of the national and provincial long term plans. To achieve the objectives of the national and provincial long term plans in the Eastern Cape there is a need for the state to act in partnership with business, labour and civil society as well as an active citizenry and social activism. There is also a need to mobilise resources and implementation capacities beyond the confines of government. Further, there is a need for the province to establish one dedicated, central capability with a focus on long term and strategic planning. Three core capabilities will be required viz Research, information management and strategic thinking capabilities; Strategy development and strategic planning capabilities; programme management capabilities; Stakeholder dialogue, engagement and management capabilities. Therefore, the major challenge that this document seeks to address is to formalise the functioning of ECSECC through the formulation of the legislative framework as well as to deliver on additional functions, in line with the developmental needs of the province.

The National Development Plan, adopted by the government in 2012, aims to eliminate poverty and reduce inequality by 2030. The plan states that South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. The plan states that successful implementation of the NDP requires strong and active citizenry and collective leadership from government, business, labour and civil society, thus recognizing the importance of partnerships. However, the National Planning Commission (NPC) in its research on social compacts (2015) and the 2020 review of the NDPs implementation argues that although the NDP had broad stakeholder and societal support after its adoption, this did not translate into robust implementation, and the envisaged broad social compact behind the Plan did not emerge.

In terms of the Provincial Development Plan (2014/2020), the provincial vision and long term plan are intended to mobilise all citizens and sectors of the Eastern Cape around a common vision. The aim is to provide an opportunity for revisiting social partnerships and the development of common goals among citizens, civil society, the state and the private sector. The plan also seeks to promote mutual accountability between stakeholders and to enable the coherence of the three spheres of the state.

However, due to various constraints in the Province, the scope of ECSECC has broadened over the period since its establishment and eventually included a broad range of aspects. This included supporting the local government sphere in planning as a critical tool towards enabling effective and efficient service delivery. ECSECC has been expected to play a significant role in supporting municipalities to develop credible Integrated Development Plans (IDPs), while also participating in the strategic planning processes for provincial government departments and entities. ECSECC was also tasked with the responsibility of coordinating multi-sectoral stakeholders including establishing, hosting and supporting the Eastern Cape Aids Council (ECAC) as well as the Human Resources Development Council. In addition to these, ECSECC also responded to various forms of requests for assistance from other institutions and stakeholders. It is thus necessary to clearly define the purpose and mandate of ECSECC.

7. REGULATORY FRAMEWORK

ECSECC will be a public entity that will, inter alia, assist the Provincial government in the development of long term plans of the Province to facilitate economic growth and sustainable development, and that falls within the ambit of Schedule 4 of The Constitution of the Republic of South Africa, 1996 which provides for functional areas of concurrent national and provincial legislative competence.

The entity's functioning will be guided by the following legislation:

- a) Constitution of the Republic of South Africa, 1996 (as amended)
- b) Public Finance Management Act, 1999 (as amended)
- c) Promotion of Administrative Justice Act, 2000
- d) Promotion of Access to Information Act, 2000
- e) Protection of Personal Information Act 4 of 2013,
- f) Any other relevant legislation.

8. MANDATE, OBJECTIVES AND FUNCTIONS OF ECSECC

8.1 Constitutional mandate

The Eastern Cape Socio-Economic Consultative Council (ECSECC), as the public entity of the Office of the Premier, supports the OTP in executing its mandate which is derived from sections 125, 127 and 130 of the Constitution of the Republic of South Africa. In terms thereof, the Premier has the following duties, roles, and powers:

- a) Section 125: vests the executive authority of the province in the Premier, together with members of the Executive Council;
- b) Section 127: defines the powers and functions of the Premier; and
- c) Section 130: defines the term of office of the Premier.

Of particular importance is section 125 of the Constitution, in terms of which the Premier, as the executing authority of the province, exercises his/her authority by:

- a) Implementing and administering national and provincial legislation;
- b) Developing and implementing provincial policy;
- c) Coordinating the functions of the provincial administration and its departments;
- d) Preparing and initiating provincial legislation; and
- e) Performing all functions assigned to the provincial executive by the Constitution.

8.2 Mandate

ECSECC is a multi-stakeholder council aimed at fostering partnerships to drive a shared development agenda amongst key stakeholders of the Eastern Cape Province and beyond.

8.3 Objectives

- a) To advise and assist the Province in the development of long-term plans to facilitate economic growth and sustainable development.
- b) To facilitate, monitor and support strategic partnerships that involve the public sector, the private sector, the knowledge sector, organised labour, and civil society in the implementation of the provincial development agenda.
- c) To generate and manage evidence for policymaking and planning processes, towards the sustainable development of the province.
- d) To empower stakeholder constituencies for meaningful participation in the development, implementation, and monitoring of the provincial development agenda.

8.4 Functions

The table below presents the objectives and the corresponding functions.

Objectives	Corresponding Functions
a) To advise and assist the province in the development of long-term plans of the province in order to facilitate economic growth and sustainable development.	<ul style="list-style-type: none"> • Provide policy advice on development matters. • Facilitate long term strategic and integrated planning for the province. • Project packaging and management of catalytic projects. • Facilitate monitoring and evaluation of the implementation of the provincial long-term plan
b) To facilitate, monitor and support strategic partnerships that involve the public sector, the private sector, the knowledge sector, organised labour, and civil society in the implementation of the Provincial Development Agenda.	<ul style="list-style-type: none"> • Hold an annual development convention among all stakeholders in the Eastern Cape. • Facilitate the establishment, host and provide technical support to Multi-Stakeholder Forums and Sector Councils • Facilitate social compacts amongst stakeholders. • Facilitate resource mobilisation from private and public partners. • Provide technical support to stakeholders in the implementation of the provincial development agenda
c) To generate and manage evidence for policymaking and planning processes, towards the sustainable development of the province.	<ul style="list-style-type: none"> • Serve as a centre of knowledge and innovation through the collection, generation, and analysis of administrative, official, and other primary data. • Coordinate and facilitate partnerships with non-government research partners within and beyond the province.

d) To empower stakeholder constituencies for meaningful participation in the development, implementation, and monitoring of the Provincial Development Agenda.

- Support stakeholder structures to effectively participate in the development of the provincial development agenda.
- Facilitate dialogue amongst stakeholders.
- Provide stakeholder leadership development support.

9. PHILOSOPHY, VALUES and PRINCIPLES

9.1 Philosophy

Collectively building and sustaining a capable, ethical and developmental province.

9.2 Values

- Excellence
- Integrity
- Transparency
- Accountability
- Collaboration

9.3 Principles

The policy and the resultant legislation regarding the structure, mandate, powers and functions of ECSECC must be underpinned by the following principles:

- Integration and coordination
- Co-creation
- Optimising local development benefits
- People-centred development
- Professionalism
- Innovation
- Organisational learning

10. BOARD OF DIRECTORS

ECSECC shall function as a public entity listed in Part C of Schedule 3 of the PFMA and shall be fully compliant with the PFMA and Treasury Regulations with regard to accountability, reporting, financial management and any other requirement of the PFMA or Treasury Regulations.

10.1 Appointment and Terms of Office

The Premier must appoint a Board of Directors to hold office for a term of 3 years from the date of their appointment, but may be eligible for reappointment, on expiry of their term of office, for one additional term of office only.

The Board of Directors shall be constituted as follows:

- a) Two (2) executive directors should be selected from the Executive Management (Ex-Officio), preferably the Chief Executive Officer and the Chief Financial Officer;
- b) Six (6) members (non-executive) representing the constituency sectors of ECSECC;
- c) Two (2) independent (non-executive) members;
- d) Public servant representatives (non-executive);
- e) The Executive Authority will appoint the Chairperson of the Board from the selected non-executive members.

Executive directors and public servant representatives will not receive additional remuneration for participation in the Board. The 8 non-executive members stipulated in (b) and (c) will be remunerated based on an agreed upon rate by National Treasury.

Members are appointed based on a public nomination process and nomination from the stakeholder constituencies to ensure that the Board of Directors comprises the necessary stakeholder representation and professional expertise to remain a compliant entity.

Board members appointed according to section (b) and (c) above must individually and collectively possess the knowledge and have experience and appropriate qualifications in the following areas:

- a) Law,
- b) Accounting,
- c) Development planning,
- d) Research and innovation,
- e) Socio-Economic Development.

The Premier delegates a member of the Board of Directors to be the Chairperson of the ECSECC Board.

10.2 Disqualification from Membership of the Board

A person is disqualified from being appointed or remaining a member of the Board if that person –

- a) Is or becomes a member of the National Assembly or National Council of Provinces, a Provincial Legislature, Municipal Council, is in the full-time employ of an organ of state, is not a South African citizen, or is not a permanent resident who is ordinarily resident in the Republic;
- b) Is or becomes subject to a final order of court whereby his or her estate is sequestrated under the Insolvency Act, 1936 (Act No. 24 of 1936), or if his or her estate is sequestrated in terms of the laws of any other country or territory by a competent court or authority of such country or territory, or if he or she has assigned his or her estate for the benefit of his or her creditors;
- c) Is declared by the High Court to be of unsound mind or suffers a mental illness, or has a severe or profound intellectual disability as contemplated in the Mental Health Care Act, 2002 (Act No. 17 of 2002);
- d) Has been convicted, whether in the Republic or elsewhere, of theft, fraud, forgery or producing a forged document, perjury, or any offence involving dishonesty or of any offence in terms of the Prevention of Corruption Act, 1958 (Act No. 6 of 1958), the Corruption Act, 1992 (Act No. 94 of 1992), Part 1 to 4, or section 17, 20 or 21 (in so far as it relates to the aforementioned offences) of chapter 2 of the Prevention and Combating of Corrupt Activities Act, 2004, or the Companies Act, 2008 (Act No. 71 of 2008), or of contravening this Act, irrespective of whether such imprisonment was wholly or partly suspended or not;
- e) Has been convicted of an offence, other than an offence contemplated in paragraph (d) and sentenced to imprisonment without the option of a fine for not less than three months, irrespective of whether such imprisonment was wholly or partly suspended or not;
- f) Without authorisation discloses or improperly acts on information gained as a result of his or her membership of the Board; or
- g) Is an un-rehabilitated insolvent.

10.3 Powers and Duties of the Board

The affairs of ECSECC must be governed by the Board which shall be the Accounting Authority of ECSECC.

The Board must -

- a) Give strategic direction to ECSECC;
- b) Be responsible for the performance of the ECSECC;
- c) Be accountable to the Premier for the performance of ECSECC;
- d) Be accountable to the relevant oversight bodies of the Legislature
- e) Be supported by a chief executive officer and other employees;
- f) Provide effective, transparent and accountable corporate governance and conduct effective oversight over the affairs of ECSECC, by adopting governance rules;
- g) Comply with all applicable legislation and agreements; and
- h) At all times act in accordance with the code of conduct for members of the Board as may be prescribed by the Premier.

In addition to the above, board members that represent sector constituencies shall be required to –

- a) Represent the stakeholder constituency that nominated her or him;
- b) Report back to the stakeholder constituency on decisions taken by the Convention; and
- c) Report to the stakeholder constituencies on the implementation of Convention's decisions by the stakeholder.

10.4 Meetings of Board

The Board must determine the time and place of meetings for the first and subsequent terms of office of the Board as often as circumstances require, but must meet at least four times in every financial year.

A simple majority of Board members (50%+1) constitutes a quorum at a meeting and each member, including the chairperson, has one vote. In the event of an equality of votes, the chairperson of the meeting has a casting vote in addition to his or her deliberative vote.

The Board must adopt governance rules which provide for the conduct of proceedings at meetings, the recording of the proceedings and governance rules for special meetings.

10.5 Committees of the Board

The Board may establish any committee and appoint members to that committee and may, at any time, dissolve or reconstitute any such committee. The Board must determine the number of members and the terms of reference of each committee and must designate the chairperson of a committee. The Board may summarily terminate the membership of a member of a committee if -

- a) The performance by the member of the powers and functions of that committee is unsatisfactory;
- b) The member, either through illness or for any other reason, is unable to perform the functions of the committee effectively;
- c) The member has failed to comply with or breached any legislation regulating the conduct of members; or
- d) The member is no longer an employee of ECSECC or a member of the Board.

10.6 Removal from Office and Dissolution of the Board

The Premier may, after due inquiry, or on the recommendation of the Board after due enquiry, remove, with immediate effect, a member of the Board from office on account of any or all of the following:

- a) Misconduct;
- b) Inability to perform the duties of his or her office efficiently;
- c) Absence from three consecutive meetings of the Board without the leave of absence of the Board, except on good cause shown; and
- d) Failure to disclose a direct financial interest or personal interest in a matter before the Board or voting or attendance at, or participation in proceedings of the Board while having such an interest.

The Premier may, after due inquiry, dissolve the Board with immediate effect, if it fails in any or all of the following:

- a) Achieving its objectives in terms of the founding legislation; and
- b) Carrying out its duties.

Upon the dissolution of the Board, the Premier must appoint an interim board for the period until a new board has been appointed. The Premier will exercise his or her discretion in appointing the interim Board and the term of office of the interim Board must not exceed six months.

10.7 Conditions of Office for Members of the Board

A member of the Board shall hold office as a member of the Board upon such conditions as to remuneration as the Premier may determine, after consultation with the Member of the Executive Council responsible for finance and the Framework for Determination of Remuneration for Accounting Authorities of Provincial Public Entities.

11. SECTOR COUNCILS

ECSECC must facilitate the establishment of Sector Councils and advisory forums to drive provincial priorities.

Sector Councils shall consist of members of ECSECCs constituencies, based on priorities and the nature of challenges to be addressed, but the emphasis should be on action-oriented multi-agency compacts.

The Premier, having been provided with nominees, shall formalise/ approve the appointment of the chairperson of each Sector Council.

Terms of Reference and Sector Council Charters must be developed for each Advisory Forum upon establishment, based upon a set of generic Terms of Reference:

- a) To advise the Provincial government on the assigned subject matter(s).
- b) To advocate for the effective involvement of sectors and organizations in implementing interventions;
- c) To provide a platform for strategic partnerships.
- d) To oversee the packaging of identified priority interventions.
- e) To facilitate resourcing of identified priority interventions.
- f) To mobilise and leverage technical and financial resources in support of the government as well as business to implement prioritised interventions.
- g) To identify bottlenecks (institutional, organizational, financial, etc.) to ensure effective implementation of priority interventions.
- h) To provide coordination and implementation mechanisms for relevant Sector Council resolutions.
- i) To provide platforms for dialogue.
- j) To oversee the development and implementation of suitable monitoring and evaluation tools to ensure the sustainability of implemented priority interventions.

The following Sector Councils which are already operating under ECSECC namely, the Eastern Cape AIDS Council and the Eastern Cape HRD Council, should continue to operate.

The Sector Councils will also report on their work to the relevant government Cluster and Cabinet Committee and seek the support of these structures for the execution of its programme.

12. ANNUAL DEVELOPMENT CONVENTION

12.1 Authority of Convention

The legislation will legally establish ECSECC as a multi-stakeholder council that organises and hosts an Annual Development Convention where all stakeholders send representatives to determine, review and drive the provincial collective development agenda, minimum one time per year.

12.2 Participation in the Convention

The Convention will consist of members nominated from stakeholder constituencies, submitted to the Premier:

Stakeholder sectors	Organisations represented
Government Sector	Provincial Government: OTP, Legislature, MECs Parties in Legislature Local Government: SALGA House of Traditional Leaders
Higher Education and Training Sector	Eastern Cape Universities TVET Colleges
Organised Community Sector	NGOs and CBOs (ECNGOC) Other community organisations Religious organisations Representatives from ECAC civil society Contralesa
Organised Private Sector	BKCOB, NAFCOC, NMBCIC Other business/industry organisations
Organised Labour	Registered Labour Federations

The Board of ECSECC may reconsider the composition of the convention as circumstances change, whilst ensuring sufficient representation from the respective sectors.

The Premier of the Province is the chairperson of the Convention and the Convention presents a formal report to the Executive Council.

13. CHIEF EXECUTIVE OFFICER

The Board with the concurrence of the EA must appoint a CEO for a period of 5 years, which may be renewable taking into consideration the performance of the CEO. The Board must determine the conditions of appointment of the Chief Executive Officer.

The CEO must enter into a performance agreement with the Board on acceptance of his or her appointment and he or she is accountable to the Board.

The CEO is an ex officio member of the Board without voting powers. The CEO is the head of ECSECC's administration and, subject to the direction of the Board, is responsible for the—

- a) Financial and administrative management of ECSECC;
- b) Implement the policies and decisions of the Board;
- c) Compilation of a business and financial plan and reports in terms of the PFMA;
- d) Management of the affairs of ECSECC;
- e) Management and recruitment of employees to perform the work necessary to achieve the objects of ECSECC; and
- f) Implementation of the policies and decisions of the Board.

14. STAFF OF ECSECC

ECSECC must employ employees as determined in the staff establishment to do the professional, administrative, secretarial and other work incidental to the performance of its functions.

The Board must determine the following:

- a) The staff establishment for ECSECC;
- b) A human resources policy for ECSECC should be in line with good practice HR policies for public entities and
- c) The remuneration and conditions of service of the employees of ECSECC.

The Board must, in consultation with the CEO, determine a code of conduct applicable to all employees of ECSECC and justiciable for purposes of disciplinary proceedings, to ensure –

- a) Compliance with applicable law;
- b) The effective, efficient and economical use of ECSECC's funds and resources;
- c) The promotion and maintenance of a high standard of ethics; and
- d) Professional, honest, impartial, fair, ethical and equitable service.

15. POWERS OF THE EXECUTIVE AUTHORITY

The Premier is the Executing Authority for the entity as contemplated in the PFMA and he or she –

- a) Must appoint the members of the Board and determine their remuneration in consultation with the MEC responsible for Finance;

- b) Must establish and maintain clear channels of communication between him or her and ECSECC;
- c) Must cause monitoring and annual review of the performance of ECSECC;
- d) May issue directives to ECSECC to ensure that it operates effectively and economically in achieving the strategic objectives of provincial government and
- e) May direct ECSECC to perform any function if in his or her opinion will improve the economic growth and sustainable development of the Province.

16. ACCOUNTABILITY

16.1 Advice and Reports by ECSECC

All advice and reports by ECSECC, the Convention, or a Sector Council on any matter, whether requested by an institution, or provided on own initiative by a structure of ECSECC must be in writing, approved by the Board, and submitted to the Premier.

The Premier must submit such advice or report, with his or her comments and recommendation to EXCO for consideration.

16.2 Lines of accountability and reporting

- a) ECSECC will report to the Legislature in terms of the standards set out in the PFMA and in terms of the rules of the Legislature.
- b) ECSECC will report on their work to the relevant government Cluster and Cabinet Committee, through the Office of the Premier and seek the support of these structures for the execution of its programme.
- c) Administrative reporting to the Controlling Department will be conducted in accordance with the PFMA.

17. FUNDING OF ECSECC

As a schedule 3C entity, ECSECC is not a commercial or business entity and its functions are substantially funded from the Provincial Revenue Fund, through the OTP.

As per section 18.1 of the PFMA, on an annual basis, a provincial budget is prepared for tabling at Legislature and it includes a separate budget book for public entities which details the allocation of financial resources to all public entities, including ECSECC. The allocation of these financial resources is based on the MTEF period, aligned to provincial policy priorities and annual performance plans of public entities.

The determination of the allocation of financial resources to public entities is the responsibility of the Executive Authority (with the support of its Accounting Officer) and Accounting Authority with the concurrence of the MEC for Finance. Section 53.3 of the PFMA prohibits public entities from budgeting for a deficit and accumulating surpluses without the prior approval of the National Treasury.

In every financial year, there is a period for considering adjustments to the main/original budget tabled at the legislature in line with the provisions of section 31 of the PFMA. This is mainly to accommodate for any unforeseen and unavoidable commitments that were not part of the main budget allocation.

According to Treasury Regulation 15.8.3, all unexpended voted funds should be surrendered to the PRF. A Provincial Treasury Instruction Note 3 of 2013/14 was developed to provide guidance on the determination of surplus funds, disclosure requirements on the annual Financial Statements and surrender to the PRF.

However, for any committed funds as at the end of the financial year, all public entities are granted an opportunity to request retention of such funds through their controlling departments. Failure to provide adequate supporting documents for such requests may result in public entities surrendering such surplus funds to the PRF.

Should a need arise for the public entity to require funding for new projects which are not part of the baseline allocations, public entities are given an opportunity to request additional funding through the MTEC hearings and Budget Adjustment processes. This means then, the funding would be provided either during the adjustment period and/or the main budget of the following financial year, depending on the merits of the request submitted through the controlling department.

18. PLANNING, MONITORING, REPORTING AND EVALUATION

Planning, monitoring, reporting and evaluation will happen within the policy and regulatory frameworks of the Government.

18.1 Planning

In line with section 2.6.9 of the Revised Framework for Strategic Plans and Annual Performance Plans, ECSECC, as a public entity will:

- a) Ensure that government priorities are incorporated into its short and medium-term plans.
- b) Submit draft and final Strategic Plans and Annual Performance Plans to its oversight department within prescribed timeframes.
- c) Establish processes that take consolidated recommendations from the oversight department into consideration to improve the quality of the plans.

18.2 Monitoring and Reporting

The OTP will oversee the Eastern Cape Socio-Economic Consultative Council, as its public entity.

In line with Treasury Regulations Chapter 5 (5.3.1) and [Section 27(4) read with 36(5) of the PFMA], the Accounting Officer of ECSECC will establish procedures for quarterly reporting to the Executive Authority to facilitate effective performance monitoring, evaluation and corrective action.

Furthermore, the provisions of the PFMA for reporting against predetermined measurable objectives contained in short and medium terms plans will be considered.

ECSECC will prepare the annual report and the financial statements in terms of section 55 of the PFMA and, together with the report of the auditor on the financial statements, submit it to the Provincial Treasury, the Premier and the Auditor-General if the Auditor-General did not audit the financial statements.

ECSECC will conduct monitoring, reporting and evaluations in line with the public sector prescripts and also report to the Legislature oversight bodies at the prescribed times for reporting.

Notwithstanding the provisions above, the Executing Authority may, at any time, request the Board to submit to him or her, within a period determined by the Premier, an interim report pertaining to the state of affairs, the activities, the operations, and the financial position of the Agency or pertaining to any specific matter identified by the Premier.

18.3 Evaluations

The National Evaluation Policy Framework (NEPF), which was approved in 2011 and revised in 2019 by National Cabinet, requires that the Office of the Premier (OTP) facilitate the development and implementation of the Provincial Evaluations Plan (PEP) that includes Provincial Departments, their Public Entities and the District Municipalities. The revised framework also requires these institutions to budget a percentage of their programmes' budget to evaluate provincial priority programmes to determine if their implementation is yielding the intended results. As required by the NEPF, ECSECC will comply with the stipulated requirements by developing and implementing an evaluations plan linked to the MTEF Cycle.

19. APPROVAL

The Executing Council of the Province shall approve the adoption and implementation of the White Paper.

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