

DUBE TRADEPORT CORPORATION CRITICAL STRATEGIC RISKS



Dube TradePort Corporation Annual Report 2016/17 Supporting Document

The members of the Board and executive team held a strategic risk assessment and determined that the following risks face Dube TradePort Corporation. The actions taken in mitigation of these strategic risks are listed below.

	STRATEGIC RISKS	MITIGATING ACTIONS
Risk 01	Impact of cybercrime on the organisation	<ul style="list-style-type: none"> • Anti-viral software • Robust firewalls • Robust ICTG Environment • Review by internal and external audit • Comprehensive insurance cover
Risk 02	Delays in release of serviced land	<ul style="list-style-type: none"> • Review of master plan • Membership of Aerotropolis Steering Committee • Relationship established between Dube TradePort Corporation and Planning Department of Municipality • Membership of SIP2 • Planned purchase of new land parcels • Participation in governmental initiatives with other stakeholders
Risk 03	Lack of public transport to the precinct	<ul style="list-style-type: none"> • Public transport feasibility study undertaken • Membership of the Aerotropolis Steering Committee
Risk 04	Disruption to operations caused by appeals to decisions to SCM decisions	<ul style="list-style-type: none"> • Legal panel constituted comprising experienced litigators • Robust SCM processes • Review of SCM Process by legal practitioners • Review of SCM Process by external and internal auditors
Risk 05	Lack of adequate external Bulk Infrastructure Provisioning	<ul style="list-style-type: none"> • Provision of bulk infrastructure by Dube TradePort Corporation • Alignment of Dube TradePort Corporation, Municipal and other stakeholders planning processes
Risk 06	Impact of austerity and inability to expand institutional and infrastructural capacity	<ul style="list-style-type: none"> • Linking Dube TradePort Corporation strategy to Provincial targets • SEZ license to operate
Risk 07	Continuous attraction/retention of private sector investors/ strategic partners	<ul style="list-style-type: none"> • Competitive land and bulk lease terms • Investment in Strategic infrastructure • Intensive networking and marketing • Commercial brokering agreements
Risk 08	Inability to attract and retain suitably qualified people	<ul style="list-style-type: none"> • Head hunt specific skills • Market-related incentives and benefits • Learning and Development plans for all employees • Remuneration Benchmarking Study • Upskill and multi-skill employees

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CRITICAL STRATEGIC RISKS (continued)



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	STRATEGIC RISKS	MITIGATING ACTIONS
Risk 09	Lack of alignment between National, Provincial, parastatals and municipality	<ul style="list-style-type: none"> • Membership of Advisory Forum • Membership Aerotropolis Steering Committee • Amendment applications • Meetings with Municipality • Membership of Air Services Committee • Agreements signed with stakeholders • Membership of SIP2 • Implementation of Climate Change resilience Strategy • Alignment to PDGP and NDP
Risk 10	Inability to sustain international and regional flights to and from KSIA	<ul style="list-style-type: none"> • Good service history – 0% loss in Dube Cargo Terminal • Route Development Strategy • Bilateral agreements in place • Added value with Dube AiRoad trucking • International and regional airlines arriving at KSIA • Work closely with EDTEA, Tourism and Hospitality industry • Route Development Fund budget developed and implemented • Air Services Strategy developed and implemented
Risk 11	Impact of SEZ Act and regulations on Dube TradePort Corporation structure and business model	<ul style="list-style-type: none"> • Recruitment of resources to assist in operations of IDZ/SEZ • Legal review of relevant legislature • Checklist of legislation and license requirements • Approved organisational structure • Formulation of a transition plan
Risk 12	Failure of effective corporate governance	<ul style="list-style-type: none"> • Developed Fraud Prevention Plan • Internal Audit • Policies and procedures • Risk Management Framework • Informative Board packs • Regular Board meetings • ToR for governance structures • Delegations of authority • Proactive management of media • Compliance register • External audit • Fraud Hotline • Formal induction for Board members • Regular Audit Committee meetings held • Minutes kept for all structures • EXCO approval of SCM Committees • Declarations of Interest • Peer review of consultants on each other • Formal SCM processes • Contracts clearly defined • Oversight by funding department • Shareholder's Compact