

# **SADPMR STRATEGIC PLAN FOR 2013 TO 2014 PPC – 31 July 2013**



**SOUTH AFRICAN DIAMOND AND  
PRECIOUS METALS REGULATOR**

# PRESENTATION OUTLINE

- Relevant service delivery outcomes;
- Vision and Mission
- SADPMPR Strategic objectives
- SADPMPR Strategic objectives linked to DMR and national outcomes
- SADPMPR MTEF Plan
- Detailed Annual plan for the 2013/2014
- Budget allocation for SADPMPR
- Remarks/Challenges
- Developments within the Regulator
- Conclusion



# RELEVANT OUTCOMES TO SADPMR

- **Outcome 4: Decent employment through inclusive economic growth**  
Output: To critically review our support for cooperatives & small businesses and to develop a clear plan to improve our performance in this regard
- **Outcome 7: Vibrant, equitable, sustainable rural communities with food security for all**  
Output: Rural job creation, skills training and promoting economic livelihoods
- **Outcome 11: Create a better South Africa and contribute to a better and safer Africa**  
- Output: Enhanced trade and investment and regional integration
- **Outcome 12: An efficient, effective and development orientated Public Service and empowered, fair and inclusive citizenship**
  - Output: Human Resource management and development
  - Output: Business processes, systems and decision rights and accountability
  - Output: Tackling corruption



# VISION & MISSION

- **VISION**

Regulating for business excellence, transformation and economic empowerment

- **MISSION**

**Render regulatory services by ensuring:**

- compliance with legislation;
- skills transfer;
- business development support;
- equitable access to resources ; and
- local beneficiation.

- **VALUES**

- Integrity
- Respect
- Time management
- Accuracy
- Consistency



## **SADPMR: Strategic objectives**

- **To ensure competitiveness, sustainable development and job creation in the diamond and precious metals industry;**
- **To ensure effective transformation of the diamond and precious metals sectors;**
- **To ensure equitable access to resources for local beneficiation;**
- **To ensure compliance with the legislative requirements; and**
- **To improve organizational capacity for maximum execution for excellence.**



# SADPMR STRATEGIC OBJECTIVES LINKED TO DMR AND NATIONAL OUTCOMES

National Outcome	DMR Programme	SADPMR Strategic objective
Decent employment through inclusive economic growth	Programme 3: Mineral Regulation	<ul style="list-style-type: none"> <li>• Ensure competitiveness, sustainable growth and job creation in the diamond and precious metals industries</li> </ul>
Create a better South Africa and contribute to a better and safer Africa	Programme 4: Mineral policy and promotion	<ul style="list-style-type: none"> <li>• Ensure equitable access to resources for local beneficiation</li> </ul>
Effective, efficient and development orientated public service	Programme 1: Administration	<ul style="list-style-type: none"> <li>• Improve organizational capacity for maximum execution of brilliance</li> </ul>
Vibrant, equitable, sustainable rural communities with food security for all	Programme 3: Mineral Regulation	<ul style="list-style-type: none"> <li>• Ensure effective transformation of the diamond and precious metals sectors</li> <li>• Ensure compliance with the legislative requirements</li> </ul>

# MTEF PLAN OF THE SADPMR

2013/ 2016



SOUTH AFRICAN DIAMOND AND  
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# SADPMR MTEF PLAN

STRATEGIC OBJECTIVES	MEASURES			INITIATIVES	EXPECTED OUTCOME	
	2013/4	2014/5	2015/6			
Ensure competitiveness, sustainable development and job creation in the diamond and precious metals industries	Number of licenses issued in accordance with the legislative timeframes	250	250	250	<ul style="list-style-type: none"> <li>Implement Broad based socio-economic empowerment Charter and Beneficiation Strategy</li> <li>Implement PPPFA prescripts</li> <li>Establish skills development initiatives for the industries</li> </ul>	<ul style="list-style-type: none"> <li>Job creation, skills development and Value addition to precious metals and diamonds</li> </ul>
	Number of Skills initiatives facilitated and developed for the industries	3	3	3		
	% of valuations conducted	100% of diamonds offered/presented	100% of diamonds offered/presented	100% of diamonds offered/presented	<ul style="list-style-type: none"> <li>Implement the Diamonds Act and related legislation</li> </ul>	<ul style="list-style-type: none"> <li>Job creation, skills development and Value addition to precious metals and diamonds</li> </ul>
Ensure compliance with legislative requirements	% of disputes on valuations regarding fair market value lodged	2%	2%	2%		
	Number of BBSEEC compliance inspection/ audits conducted	200	300	250	<ul style="list-style-type: none"> <li>Implement the Diamonds Act and Precious Metals Act</li> <li>Assess ownership (HDSA) Skills development</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to legislation</li> </ul>
Ensure compliance with legislative requirements	Number of inspections conducted	1150	1150	1150	<ul style="list-style-type: none"> <li>Implement the Diamond and Precious Metals legislation</li> </ul>	



# SADPMR MTEF PLAN

Strategic Objective	Measures	2013/4	2014/5	2015/6	Initiatives	Expected Outcome
Ensure effective transformation of the diamonds and precious metals sectors	Number of Transformation Progress reports	4	4	4	<ul style="list-style-type: none"> <li>Implement transformation plan for the Diamonds and Precious Metals</li> </ul>	Transformed diamond and precious metals industries
	Ensure equitable access to resources for local beneficiation	Number of clients accessing the DEEC	1250	1300	1350	<ul style="list-style-type: none"> <li>Marketing of DEEC services</li> <li>Marketing of DEEC services</li> </ul>
Ensure equitable access to resources for local beneficiation	Number of polished diamond tenders facilitated	3	4	5	<ul style="list-style-type: none"> <li>Promote local beneficiation by allocating certain viewing rooms to beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Diamond beneficiaries having access to resources (diamonds)</li> </ul>
	Number of beneficiaries accessing the DEEC (visits)	50	60	70		



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# SADPMR MTEF PLAN

STRATEGIC OBJECTIVE	MEASURES	2013/4	2014/5	2015/6	INITIATIVES	EXPECTED OUTCOME
Improve organizational capacity for maximum execution of excellence	Compliance to the KPCS minimum requirements checklist	100% compliance to KPCS to minimum requirements checklist	100% compliance to KPCS to minimum requirements checklist	100% compliance to KPCS to minimum requirements checklist	Implement KPCS statutes and related legislation Issuing of KPCS certificates Submission of quarterly reports (statistics) Engagements with KP participants Attend plenary and intersession	An effective, efficient and development orientated Regulator
	Compliance with legislation and approved administrative systems and processes	Administrative systems and processes implemented	Administrative systems and processes implemented	Administrative systems and processes implemented	Implement the following: PFMA and PPPFA, HR Plan, Master System Plan, MISS & Communication strategy	An effective, efficient and development orientated Regulator



# SADPMR STRATEGIC PLAN

2013/ 2014



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# PROGRAMME 1: DIAMOND TRADE

## Sub programmes: DEEC, GDV and KPCS

STRATEGIC OBJECTIVE	KEY ACTIVITIES	MEASURES	ANNUAL TARGET	INITIATIVES	EXPECTED OUTCOME
Ensure competitiveness, sustainable development and job creation in the diamond and precious metals industries	Facilitate skills development initiatives for the industries	Number of skills initiatives facilitated for the industries	2	<ul style="list-style-type: none"> <li>Skills development initiatives;</li> <li>Provide training on the use of GDV planning machines;</li> <li>Facilitate training in diamond valuation</li> </ul>	<ul style="list-style-type: none"> <li>Entrepreneurs trained on GDV planning machines and diamond evaluation</li> </ul>
				<ul style="list-style-type: none"> <li>Marketing of DEEC services</li> </ul>	<ul style="list-style-type: none"> <li>Increased access for clients wanting to utilise the DEEC</li> </ul>
Ensure equitable access to resources for local beneficiation	Oversee the implementation of the diamond marketing strategy of the DEEC	Number of clients accessing the DEEC	1250	<ul style="list-style-type: none"> <li>Marketing of DEEC services</li> </ul>	<ul style="list-style-type: none"> <li>Increased access to resources (diamonds)</li> </ul>
				<ul style="list-style-type: none"> <li>Marketing of DEEC services</li> </ul>	<ul style="list-style-type: none"> <li>Increased access to resources (diamonds)</li> </ul>
	Number of polished diamond tenders facilitated	3 polished diamond tenders facilitated	50	<ul style="list-style-type: none"> <li>Promote local beneficiation by allocating certain viewing rooms to beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of beneficiaries accessing the DEEC</li> </ul>
				<ul style="list-style-type: none"> <li>Promote local beneficiation by allocating certain viewing rooms to beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Increased number of beneficiaries accessing the DEEC</li> </ul>



SOUTH AFRICAN DIAMOND AND PRECIOUS METALS REGULATOR

# PROGRAMME 1: DIAMOND TRADE

## Sub programmes: DEEC, GDV and KPCCS

STRATEGIC OBJECTIVE	KEY ACTIVITIES	MEASURES	ANNUAL TARGET	INITIATIVES	EXPECTED OUTCOME
Ensure compliance with legislative requirements	Oversee the provision of diamond valuation services	Percentage of valuations conducted at fair market value	100% of diamonds offered/presented	Implement the Diamonds Act and related legislation	<ul style="list-style-type: none"> <li>Ensure fair market value</li> </ul>
		% of disputes on valuations regarding fair market value lodged	2%	Implement the Diamonds Act and related legislation	<ul style="list-style-type: none"> <li>Ensure fair market value</li> </ul>
Improve organizational capacity for maximum execution of excellence	Oversee the monthly revision of the Diamond price book	Updated monthly Diamond price book	12	Monitoring trends in international and local diamond prices	<ul style="list-style-type: none"> <li>Ensure fair market value</li> </ul>
		Oversee the administration of KPCCS and participation in KP requirements checklist	Compliance to the KPCCS minimum requirements checklist	100% compliance to KPCCS to minimum requirements checklist	<ul style="list-style-type: none"> <li>Implement KPCCS statutes and related legislation</li> <li>Issuing of KPCCS certificates</li> <li>Submission of quarterly reports (statistics)</li> <li>Engagements with KP participants</li> <li>Attend plenary and intersession</li> <li>Compliant to requirements of Kimberley Process Certification Scheme</li> </ul>



# PROGRAMME 2: REGULATORY COMPLIANCE

## Sub programmes: Licensing, Diamond Inspectorate and Precious Metals Inspectorate

STRATEGIC OBJECTIVE	KEY ACTIVITIES	MILESTONES	ANNUAL TARGET	INITIATIVES	EXPECTED OUTCOME
Ensure effective transformation of the diamond and precious metals sectors	Process applications and issue licenses in line with the legislation	Number of licenses issued in accordance with the legislative timeframes	250	<ul style="list-style-type: none"> <li>Implement the legislation</li> <li>Process license applications as per legislative requirements</li> </ul>	<ul style="list-style-type: none"> <li>Transformation of the diamond and precious metals industries;                             <ul style="list-style-type: none"> <li>Job creation</li> <li>HRD</li> <li>Representativity</li> </ul> </li> </ul>
	Implement the SADPMR Transformation Plan	Number of Transformation reports	4	<ul style="list-style-type: none"> <li>Consistently apply provisions of Section 8 of the Export Levy Act</li> <li>Review existing precious metals beneficiation licences and investigate all those that are not being used solely for beneficiation purposes                             <ul style="list-style-type: none"> <li>Promote existing metal loan schemes to jewellers and beneficiaries</li> <li>Assist prospective new entrants to obtain licences/permits and participate in the precious metals industry</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Transformation of the diamond and precious metals industries;                             <ul style="list-style-type: none"> <li>Job creation</li> <li>HRD</li> <li>Representativity</li> </ul> </li> </ul>
Ensure compliance with legislative requirements	Oversee the provision of the compliance inspection/audits on licensees	Number of compliance inspection/audits conducted	200	<ul style="list-style-type: none"> <li>Implement the Diamonds Act and Precious Metals Act</li> <li>Assess ownership (HDSA)</li> <li>Skills development</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to legislative provisions</li> <li>Transformation of the industries</li> </ul>



# PROGRAMME 2: REGULATORY COMPLIANCE

## Sub programmes: Licensing, Diamond Inspectorate and Precious Metals Inspectorate

STRATEGIC OBJECTIVE	KEY ACTIVITIES	MEASURES	ANNUAL TARGET	INITIATIVES	EXPECTED OUTCOME
Ensure competitiveness, sustainable development and job creation in the diamond and precious metals industries	Oversee the provision of inspection services within the diamond and precious metals sectors	Number of inspections conducted	1150	Implement the Diamond and precious metals legislation	<ul style="list-style-type: none"> <li>Compliance to legislative provisions</li> </ul>
	Oversee the provision of issuing of beneficiation licenses	Number of Beneficiation Licenses issued	50	Implement the Diamonds Act and Precious Metals Act Process license applications as per legislative requirements	<ul style="list-style-type: none"> <li>Transformation of the industries;</li> <li>Job creation</li> </ul>
Assist prospective entrepreneurs in the diamond and precious metals industries	Facilitate skills development initiatives for the industries	Number of businesses assisted	5	Provide information and advice on: <ul style="list-style-type: none"> <li>Diamond and Precious metal product suppliers, import and export and beneficiation.</li> <li>Where and how diamonds and precious metal may be accessed</li> <li>Existing Gold loan and platinum advance schemes</li> <li>Inspection Checks conducted on business premises for approval</li> </ul>	<ul style="list-style-type: none"> <li>Transformation of the industries;</li> <li>Job creation</li> <li>Human Resource Development</li> <li>Representivity</li> </ul>
		Number of skills development initiatives facilitated for the industries	2	Skills development initiatives; Facilitate the development of diamond's core and portable skills	<ul style="list-style-type: none"> <li>Transformation of the industries;</li> <li>Human Resource Development</li> </ul>

# PROGRAMME 3: ADMINISTRATION

## Sub programmes: HR , Finance, ICT, Security, and Communication

STRATEGIC OBJECTIVE	KEY ACTIVITIES	MEASURES	ANNUAL TARGET	INITIATIVES	EXPECTED OUTCOME
Improve organizational capacity for maximum execution of excellence	Ensure the implementation of the Human Resource (HR) Plan	Number of Human Resource (HR) Plan pillars implemented	5 pillars of the HR Plan implemented	<ul style="list-style-type: none"> <li>Implementation of the following HR plan pillars: <ul style="list-style-type: none"> <li>Employee/employer Relations management</li> <li>Performance Management and Development System (PMDS)</li> <li>HRD policy/ strategy</li> <li>Organizational Development (OD) practices</li> <li>Develop and implement Talent Management strategy</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Retention and attraction of skilled employees</li> </ul>
	Communicate the SADPMR policies and programmes amongst internal and external stakeholders	Number of engagements with internal and external stakeholders	12 Engagements	<ul style="list-style-type: none"> <li>Implementation of communication plan/strategy;</li> <li>Increase internal and external stakeholder engagements</li> <li>Increase brand awareness</li> <li>Monitor and engage Media</li> </ul>	<ul style="list-style-type: none"> <li>Branding of the SADPMR locally and internationally</li> </ul>
	Ensure the implementation of the Master System Plan (MSP)	Number of Master System Plan (MSP) programmes implemented	3 programmes implemented	<ul style="list-style-type: none"> <li>Development of Web Admin System.</li> <li>Implement Disaster Recovery Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Improved and secured ICT systems</li> </ul>



# PROGRAMME 3: ADMINISTRATION

## Sub programmes: HR, Finance, ICT, Security, and Communication

STRATEGIC OBJECTIVE	KEY ACTIVITIES	MEASURES	ANNUAL TARGET	INITIATIVES	EXPECTED OUTCOME
To ensure compliance with legislative requirements	Implement Finance and supply chain policies/ procedures and guidelines.	%Compliance with PFMA and PPPFA	100% compliance with PFMA	<ul style="list-style-type: none"> <li>Implement Preferential Procurement Regulation</li> <li>Compliance with PFMA checklist for public entities</li> </ul>	<ul style="list-style-type: none"> <li>Secured and safe premises for clients and employees</li> <li>Compliance to legislative framework</li> </ul>
Ensure the implementation of Minimum Information Security Standards (MISS)	Minimum Information Security Standards (MISS)	Number of MISS programmes implemented	3 programmes implemented	<ul style="list-style-type: none"> <li>Contingency Plan</li> <li>Personnel Security</li> <li>Physical security, threats and risk assessment</li> </ul>	<ul style="list-style-type: none"> <li>Secured and safe premises for clients and employees</li> </ul>



# BUDGET vs. ALLOCATION FOR SADPMR

ORGANIZATION	FINANCIAL YEAR – 2013/14	FINANCIAL YEAR – 2014/15	FINANCIAL YEAR – 2015/16
Budget	R 67,848 million	R 71,579 million	R 75,874 million
Allocation	R43,321 million	R45,704 million	R48,446 million



## REMARKS/ CHALLENGES

- Shrinking budget allocation;
- Declining/ shrinking diamond and precious metals industries;
- Complexities with regards to the beneficiation of precious metals; and
- Lack/inadequate access to rough diamonds by beneficiaries;



## **REMARKS/ DEVELOPMENTS**

- SADPMR implemented service charges in accordance with legislation to defray expenses
- Increased trade transactions (unpolished and polished diamonds) at the Diamond Export and Exchange Centre; and
- Strengthening relations between the Regulator and the diamond and precious metals industries.



## Conclusion

- It is important to report that the board is taking serious the transformation plan that is in place and has as such established a special transformation team through the Licensing Committee to develop special strategic mechanisms as an intervention to address those areas that there have been little or no achievements in terms of the Regulator's strategic objectives as informed by key national priorities.
- The following are some of the areas that the plan seek to address;
  - Job creation;
  - Increase access to rough diamonds by beneficiaries; and
  - Skills development.
- The Regulator has commenced with the implementation of the plan by engaging diamond producers to avail rough diamonds for local beneficiaries, and
- The Regulator has already facilitated four (4) tenders for polished diamonds.



# THANK YOU DISCUSSION



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