



# Brand South Africa

## 2012/13 ANNUAL REPORT

Presentation  
to the Portfolio Committee on Communications  
16 October 2013



Inspiring new ways

“In my opinion, the financial statements present fairly, in all material respects, the financial position of Brand South Africa as at 31 March 2013, and its financial performance and cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the PFMA.”

*Auditor General 31 July 2013*

**An overall  
81.8%  
achievement  
of  
performance  
activities**



Inspiring new ways

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*“Once you have got a brand image, it is the most valuable thing you can have. It gives instant value, credibility, reliability and reassurance.”*

Simon Anholt



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# HIGHLIGHTS 2012/13



*Inspiring new ways*

# Highlights 2012/13

## South Africa is increasingly speaking with a unified voice

- Closer co-operation was forged with Brand South Africa's government partners and other stakeholders
- President Jacob Zuma appointed new members to the Brand South Africa Board of Trustees
- First year Brand South Africa reported directly to the Presidency
- 'Inspiring New Ways', Brand South Africa's new slogan, was launched



## Brand South Africa has been ever present

- Very prominent at BRICS Summit, the Mining Indaba and the World Economic Forum events

**Chichi  
Maponya**  
*Chairman  
BrandSA*

## Mobilisation of our nation

- Brand South Africa's Play Your Part initiative continued to make great strides in encouraging active citizenship, pride and patriotism
- Online and social media campaigns to generate awareness around the '16 Days of Activism', a 'Know and Defend your Rights' campaign, a Play your Part Freedom Month campaign and the 'Play your Part - Shape the Future' Youth Dialogues





# Highlights 2012/13

## Increased support for reputation management

- Team South Africa's performance at the London Olympics proved to be a wonderful reputation enhancer
- The UK and US country offices did extensive work to offset the impact on South Africa's image by the Marikana and other high profile incidents
- Strengthening of the Global South Africans (GSA) programme

## Enhanced technology approach

- The past year also saw the launch of Brand South Africa's App, which is an all-in-one official information gateway to South Africa, boasting comprehensive country information for investors, tourists, citizens and South Africans abroad

## Becoming a destination of choice

- South Africa proved it is a destination of choice for major sporting events by hosting the successful 2013 Africa Cup of Nations (AFCON) in February
- Another boost for the country's reputation came with the announcement that South Africa was chosen to host the greater part of the €1.5 billion international Square Kilometre Array (SKA) radio telescope

# Highlights 2012/13

## South Africa improved its global competitiveness

- Improved its overall ranking and performance from 52<sup>nd</sup> to 50<sup>th</sup> in the Institute for Management Development Global Competitiveness Report 2012/13
- The country has been ranked 36th out of 50 countries in the Anholt-GfK Roper Nation Brand Index for the past two years
- 3<sup>rd</sup> best performing BRICS country on the Global competitiveness Report
- Investor Perception survey highlights the headway being made by South Africa in positioning itself as a diverse and exciting investment destination
- Ranked fifth overall in the Ibrahim Index of African Governance
- Quarterly media tours were held, exposing the international press to South Africa's business environment, as well as its regulatory and policy systems, in a bid to boost positive press coverage abroad



***“In the year ahead, we will continue to work tirelessly to engage with people from all sectors of society to bring home the importance of the contribution that can be made to nation building and the attainment of the goals of our NDP by each and every South African.”***

***Chichi Maponya***  
***Chairman BrandSA***





# BRAND SOUTH AFRICA

## NATION BRAND PERFORMANCE



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# NATION BRAND : PERFORMANCE - SUMMARY

## Domestic Perception Audit

- 88% of South Africans are proud to be South African.
- 83% of South Africans believe the country is a good place for travel and international
- 75% of South Africans believe that the country embodies the spirit of Ubuntu.
- 62% of South Africans believe the country is an ideal place to live.



## National Brand Reputation

- 2012/13 South Africa is ranked 36 out of 50 nations for the second year in a row; in a year where two thirds of the nations have experienced overall decline.
- South Africa's culture remains its strongest asset at 28th and a strong People profile 31st globally.
- South Africans are admired across most panel countries especially relating to "wanting a South Africa as a close friend".
- South Africa continues to rank 34th globally on Tourism; sporting excellence 16th; but less known for its contemporary and historic culture.



## WEF Global Competitiveness Index

- South Africa's rankings declined by two points to reach 52 in the 2012/13 GCI index.
- South Africa achieves highest rankings in **Legal Rights index (1<sup>st</sup>)**; **Regulation of Securities Exchanges (1<sup>st</sup>)**; **Financial Services (2<sup>nd</sup>)**; **Financial through local equity market (3<sup>rd</sup>)**.
- Higher Education and Training pillar - South Africa did not perform well: Quality of Maths and Science education (143); Quality of Education System (140); Internet access in schools (111); In comparison to BRICS, South Africa lags behind in performance on Health and Primary Education pillars.



## International Tracker Results

- SA's hosting the 5th BRICS Summit marks a high point for the country as an important role player in global governance. Increased volumes of reporting in BRICS member states due to South Africa being host nation.
- Increased reporting on Business and Politics pillars across all markets due to BRICS Summit.
- Increased awareness of South Africa as economic, business, and service hub due to the country's role in the African Union and BRICS.
- Project Thrive International Investor Perception study conducted by Brand SA indicates a substantial increase in the country seen as a business destination by international investors.



## Reputation Index

- 2012/13 average reputation score 35%.
- During this financial year, two incidents had a negative impact on the reputation score: the Marikana mine incident and the Oscar Pistorius case.
- Increased coverage in the following markets: France, Democratic Republic of Congo, China, USA, UK, UAE.



# INTERNATIONAL PERFORMANCE - GCI

South Africa's reputation remains stable between 2011/12, In a year when most developed economies experienced a reputational downturn

South Africa NBI performance	2012	2011	2010
Overall ranking	36	36	37
Ranking by pillar			
Exports	37	37	38
Governance	41	41	40
Culture	28	25	27
People	31	34	31
Tourism	34	34	35
Immigration and Investment	38	39	43

*Figure 8 – South Africa's overall and pillar performance in the Nation Brand Index*

NOTE: On 6 of the 12 pillars, South Africa outperforms the BRICS average.

# INTERNATIONAL PERFORMANCE - EASE OF DOING BUSINESS

BRICS Comparison - World Bank Ease of Doing Business 2013					
	BRAZIL	RUSSIA	INDIA	CHINA	SOUTH AFRICA
Over-all	130	112	132	91	39 (1)
Starting a business	121	101	173	151	53 (1)
Dealing with construction permits	131	178	182	181	39 (4)
Getting electricity	50	184	105	114	150 (4)
Registering property	109	46	94	44	79 (3)
Getting credit	104	104	23	70	1 (1)
Protecting investors	82	117	49	100	10 (1)
Paying taxes	156	64	152	122	32 (1)
Trading across borders	123	162	127	68	115 (2)
Enforcing contracts	116	11	184	19	82 (3)
Resolving insolvency	143	53	116	82	84 (3)

Figure 5 - BRICS comparison 2013- World Bank Ease of Doing Business

# INTERNATIONAL PERFORMANCE - EASE OF DOING BUSINESS

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Figure 5 - BRICS comparison 2013- World Bank Ease of Doing Business

# LOCAL PERFORMANCE - HUMAN DEVELOPMENT INDEX

South Africa improves with 2 positions in the 2012/2013 HDR

South Africa HDR indicators						
YEAR	BANK	HDR VALUE	LIFE EXPECT-ANCY	MEAN YEARS OF SCHOOLING	EXPECTED YEARS OF SCHOOLING	GROSS NATIONAL INCOME
2012/ 13	121	0.629 ↑	53.4 ↑	8.5	13.1	\$ 9594 (PPP) ↑
2011	123	0.619	52.8	8.5	13.1	\$ 469 (PPP)

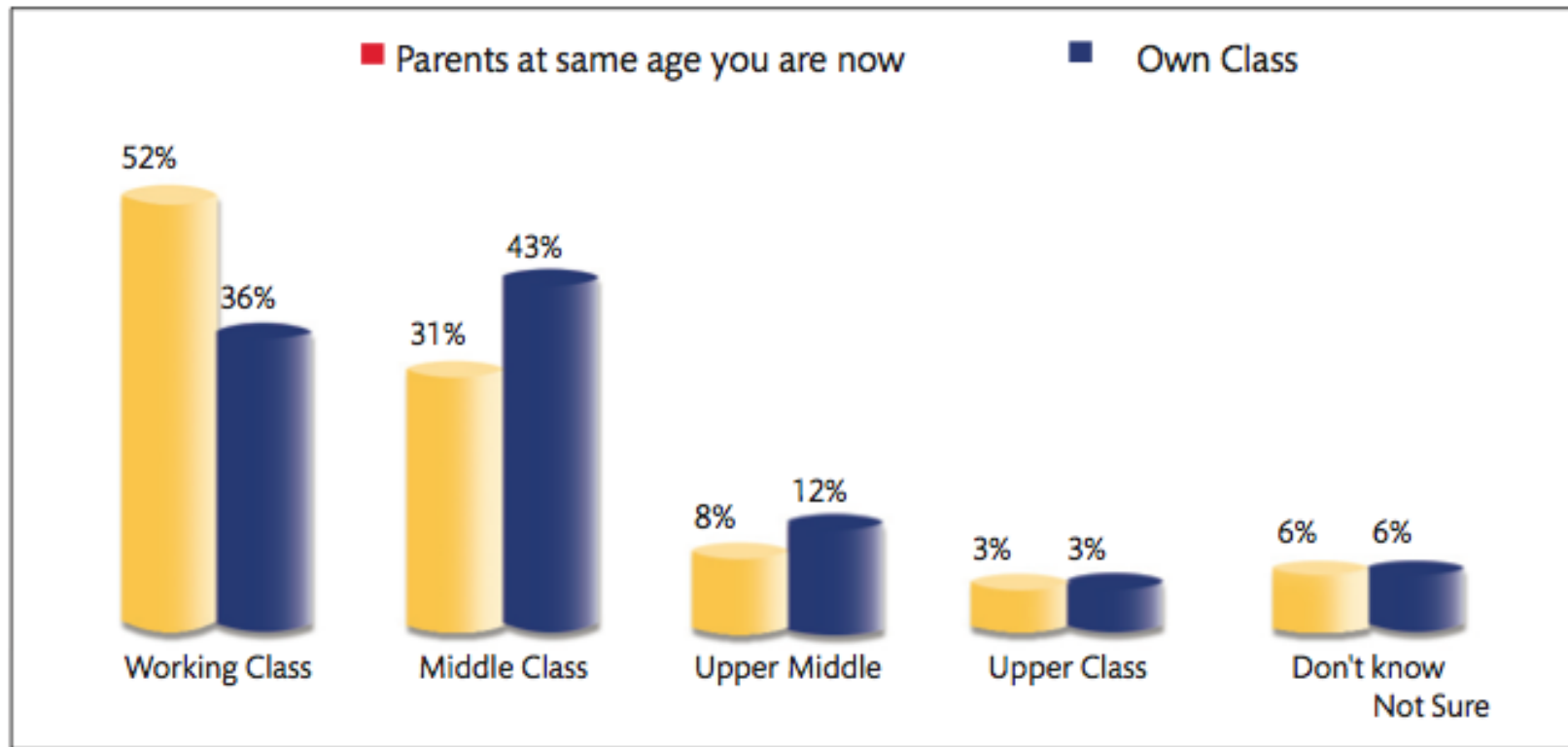
Figure 6 - South Africa's performance in the UNDP Human Development Index



# LOCAL PERFORMANCE - SOCIAL MOBILITY

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Majority of South Africans see themselves in a better class position than their parents

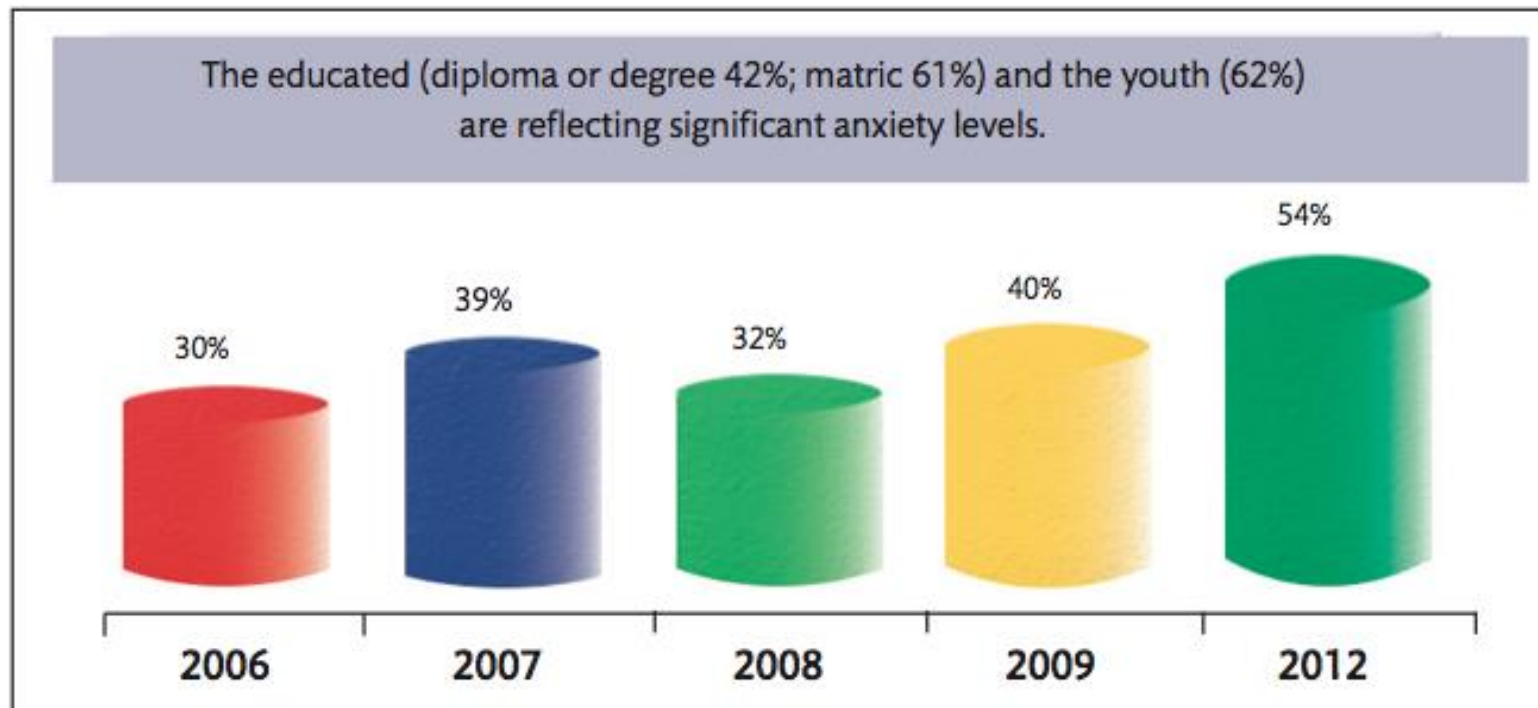


Source: National Perceptions Audit 2012/13

# LOCAL PERFORMANCE - EDUCATION

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On 6 of the 12 pillars of competitiveness according to the WEF South Africa out performs the BRICS average

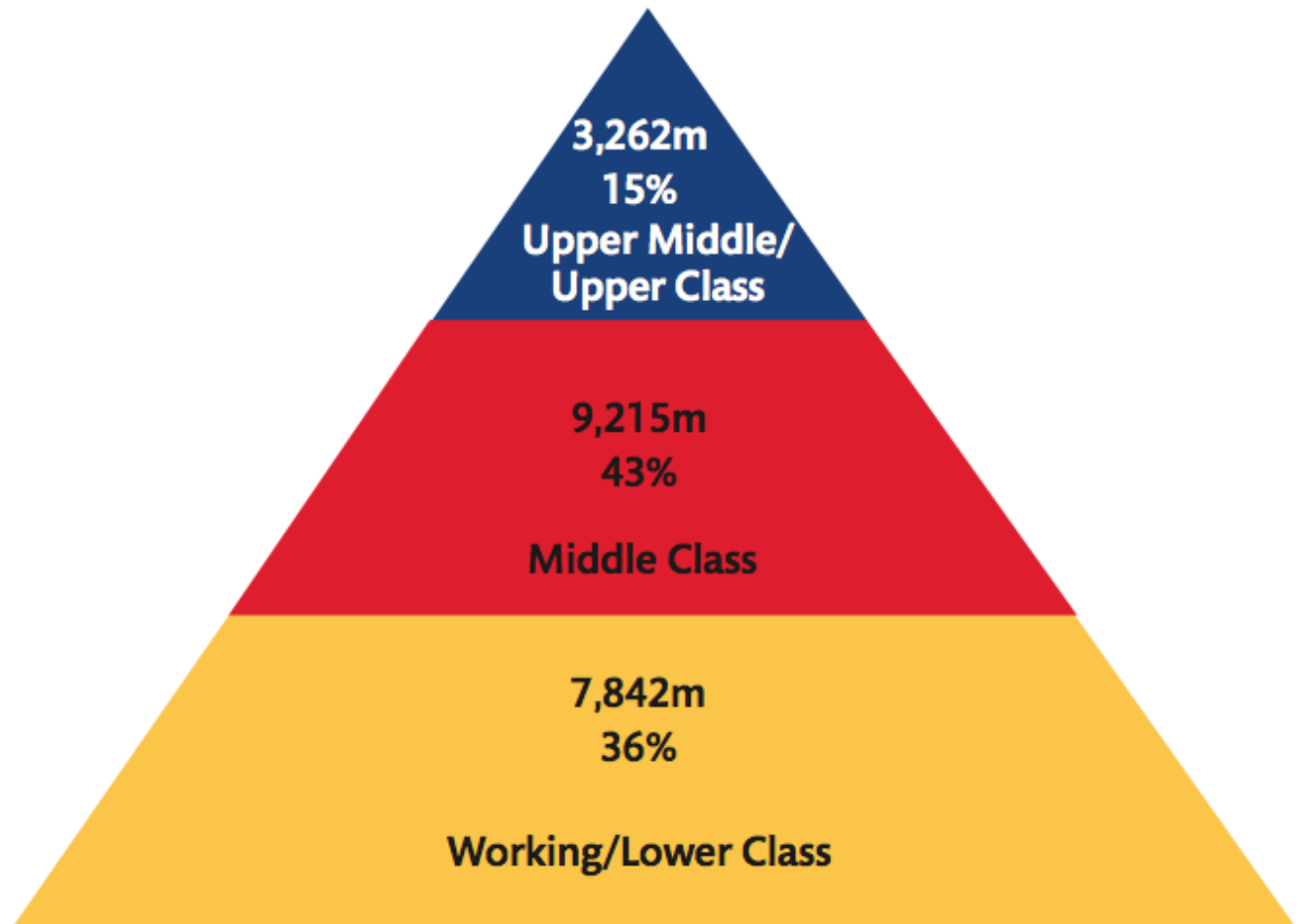


Source: National Perceptions Audit 2012/13

# LOCAL PERFORMANCE - CLASS MOBILITY

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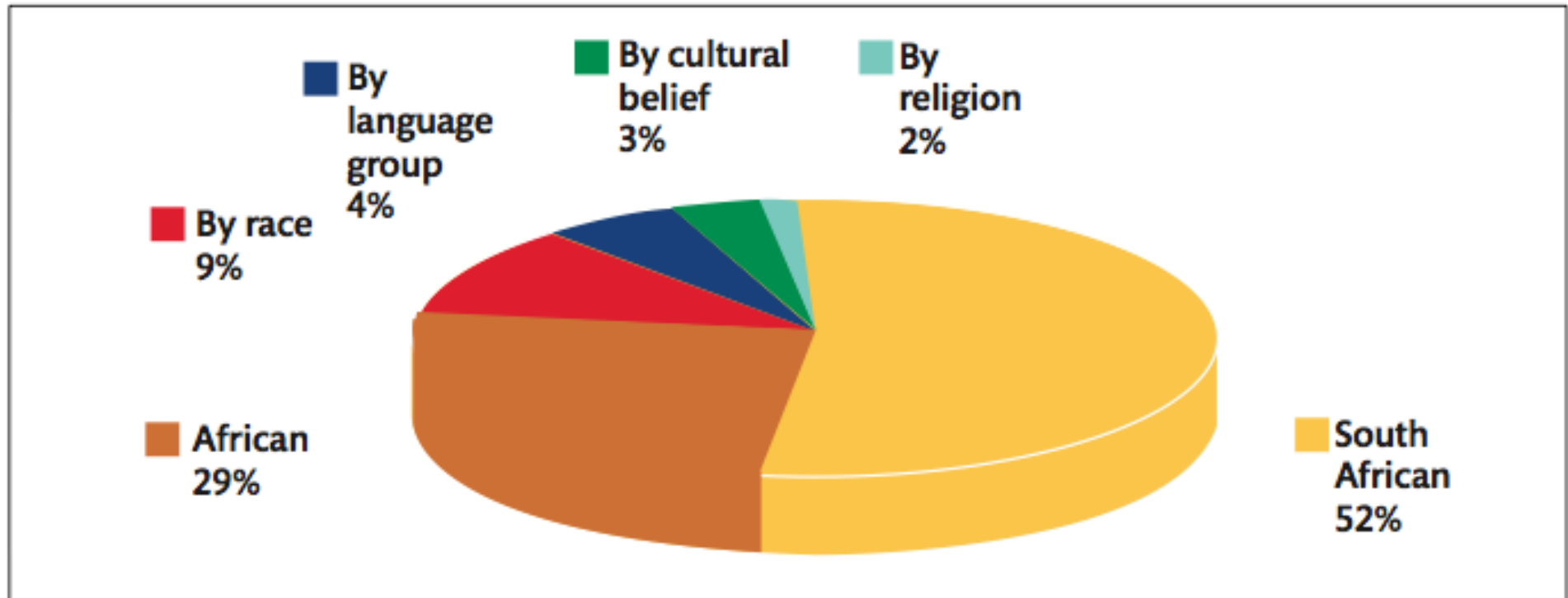
- Class mobile people do not see themselves as static but as 'moving up the ladder' and their lifestyles and behaviour mirror their aspirations.
- South Africa is arguably one of the most socially mobile societies in the world.
- The move from the circumstances of previous generations is substantial
- There is optimism about the future despite the economic recession.



*Source: National Perceptions Audit 2012/13*

# LOCAL PERFORMANCE - SOCIAL COHESION

The majority of people no longer see themselves in the artificial boxes of the apartheid era



Source: National Perceptions Audit 2012/13

# LOCAL PERFORMANCE - ACTIVE CITIZENSHIP

The majority of South Africans are proud to be South African, and they will do whatever it takes to make the country a better place via the spoken word and active participation.

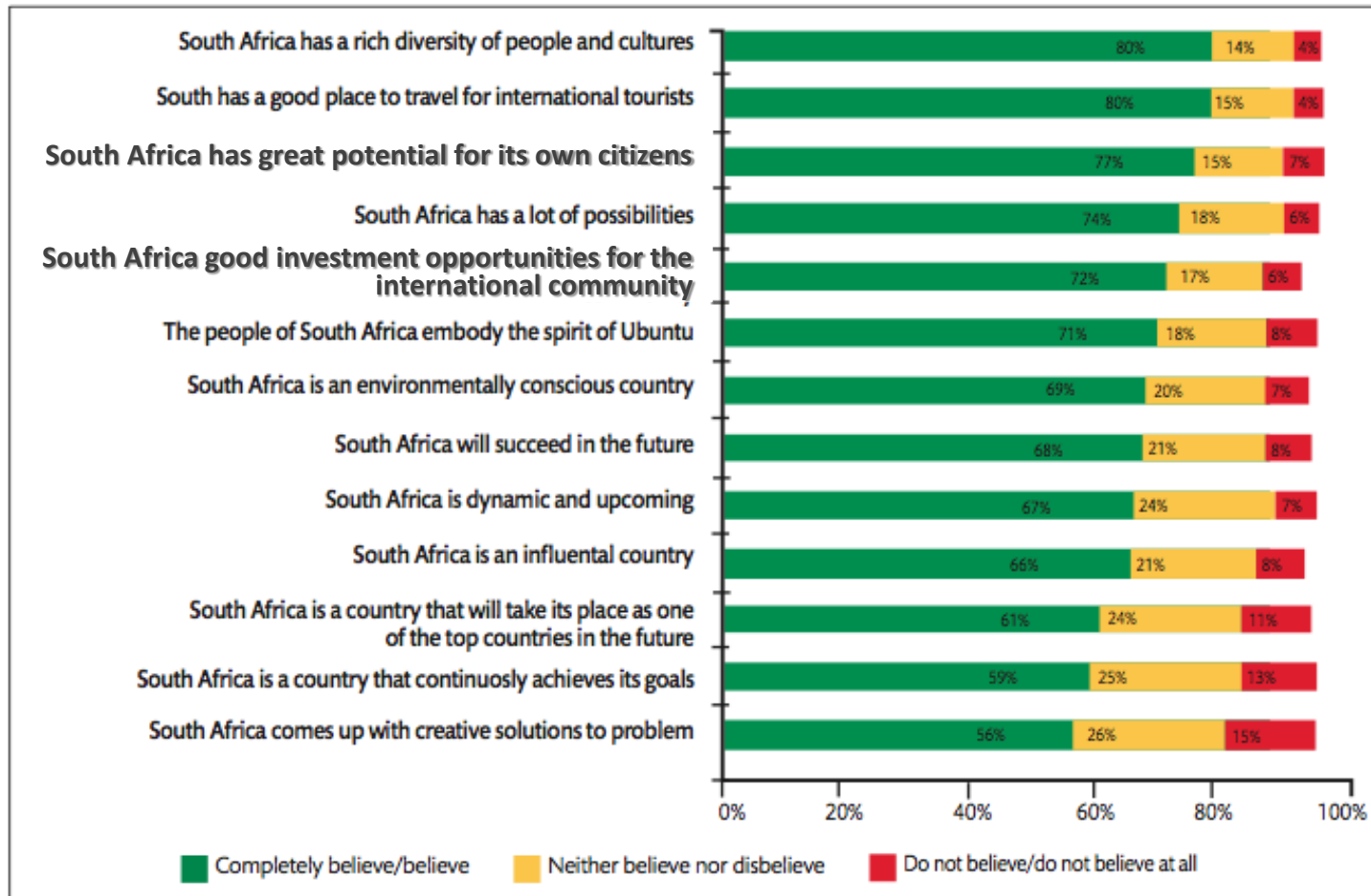


Source: National Perceptions Audit 2012/13



# LOCAL PERFORMANCE - CONFIDENCE

The top three attributes associated with South Africa that play a role in contributing to a positive brand for the country, are the rich cultural diversity, a travel destination of choice for international tourists and the potential South Africa can bring to its citizens.



Source: GCIS Domestic Tracker



# BRAND SOUTH AFRICA

OVERVIEW OF STRATEGY & BUSINESS PLAN  
IMPLEMENTATION  
2012/13



*Inspiring new ways*

# REVIEW: THE NATIONAL MANDATE

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National priorities	GDP growth, job creation, poverty alleviation, social cohesion, National Vision for South Africa – Vision 2030		
Desired impact	Increased international competitiveness	Improved international reputation	Media Reputation
Vision	South Africa acknowledged as a Top 20 Nation Brand and a Top 30 Nation in the WEF Global Competitiveness Index by 2020		
International mandate	To build South Africa's Nation Brand reputation in order to improve South Africa's global competitiveness		
Domestic mandate	Build Pride & Patriotism amongst South Africans and contribute to social cohesion and nation brand ambassadorship		

# DESIRED OUTCOMES & STRATEGIES

Brand SA's  
MANDATE relative  
to South Africa's  
needs...

It aims to fulfil this  
mandate by  
achieving the  
following  
OUTCOMES

To build South Africa's Nation Brand reputation  
in order to improve South Africa's global competitiveness

1. Brand Alignment by  
stakeholders

2. Increased Pride and  
Patriotism amongst South  
Africans

3. Positive perceptions about  
South Africa amongst target  
audiences

4. Articulated and  
contextualised South  
African policy

5. A sustainable organisation.

... by undertaking  
the following  
6 STRATEGIES

External Focus  
Internal Ops

1. Brand strategy development and  
management

2. Reputation management

3. Brand knowledge  
management and  
performance  
management

4. Strengthening and  
deepening  
Stakeholder and  
partner alignment  
and integration

5. Organisational  
development

6. Prudent financial  
management and  
control



## **PROGRAMME 2**

# **BRAND STRATEGY DEVELOPMENT AND MANAGEMENT**



## NATION BRAND PERFORMANCE

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- There was a greater move towards getting *stakeholders to buy* into the various Brand South Africa programmes, which ensured increased collaboration with role-players
  - Departments of trade and industry (dti), tourism, and international relations and cooperation (Dirco);
  - As well as entities like Proudly South Africa and other organisations concerned with marketing South Africa
- During the year, Brand South Africa extended its *stakeholder engagements* to cover political parties and other stakeholders, critical to the building of a strong reputation for South Africa
- Inter-denominational *faith-based organisations (FBOs)* are increasingly realising they have a part to play in defining the future that they want to see for their members
- *Faith-based and youth organisations* are exciting new target audiences for Brand South Africa. Reaching the youth is critical because it is the youngsters of today who will eventually drive the NDP success

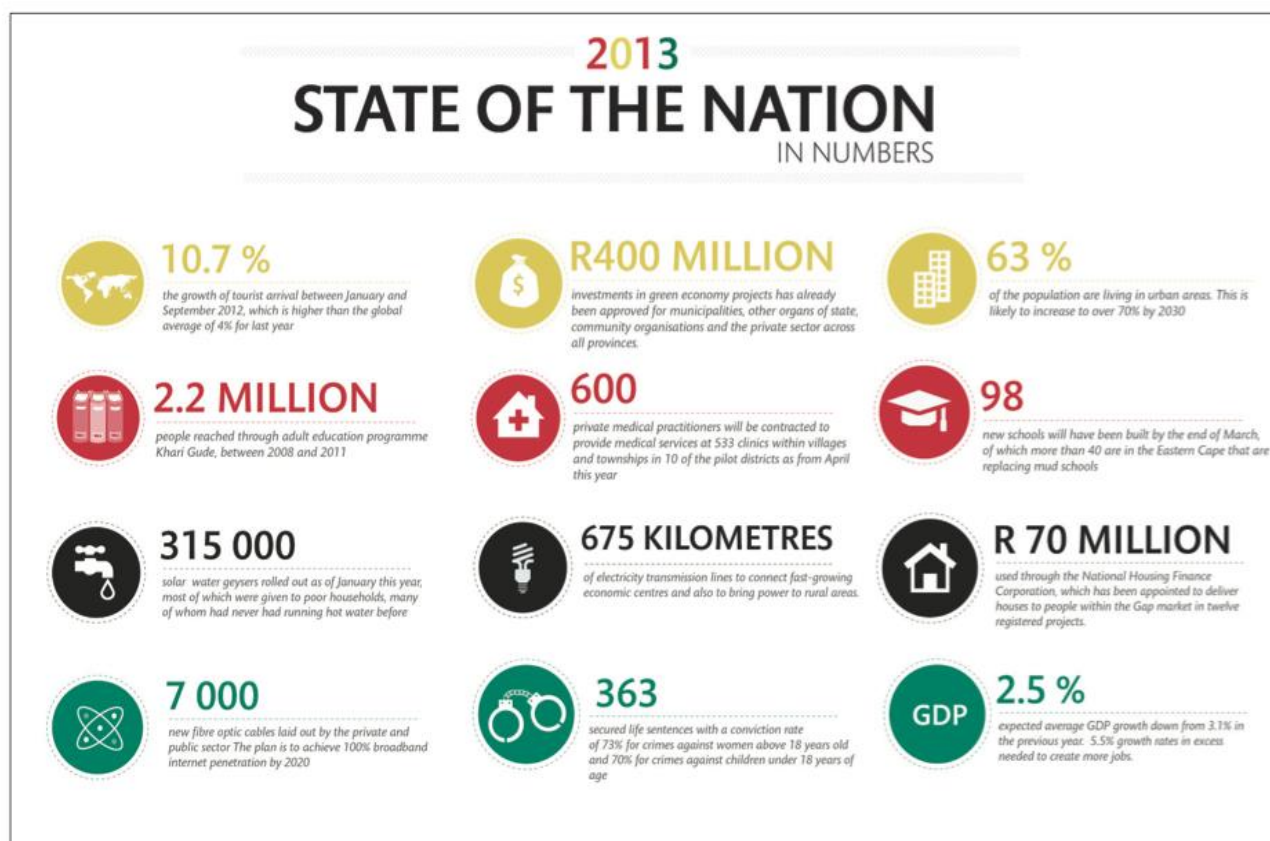
# New Positioning Campaign launched...

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- The launch of Brand South Africa's **new pay-off line**, 'Inspiring New Ways', was extremely successful, recording good reception and coverage on all media platforms
- Trending of the initial launch on social media platforms.
- Huge support from the marketing fraternity and promotion by the SABC and DStv
  - **44% of all international** respondents were aware of the new pay-off line during the first month of launch
  - This is a significant rating due to the fact that the pay-off line was launched only two months before fieldwork for **Project Thrive commenced**
  - This indicates a highly successful and internationally recognisable launch.
- Another major highlight for the **launch was the 30- and 60-second business adverts**, which were flighted on CNN in November and on the biggest television night in the USA, during the Presidential elections

# Supporting National Priorities

- The State of the Nation in Numbers was an info graphic produced for online and social media distribution immediately after President Zuma's Address on the 14th of February



# Driving Active Citizenship - Play your Part

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- Play Your Part is a national initiative that encourages all South Africans to contribute to positive change.
- An initiative created to inspire, empower and celebrate active citizenship in South Africa; aimed at encouraging all South Africans to use some of their time, money, skills or services/goods to contribute to a better future for all.
- Play Your Part initiatives implemented during the year under review include:



*'Shape the Future' Youth Dialogue*

- An online and social media campaign to generate awareness around the '16 Days of Activism'
- A 'Know and Defend your Rights' campaign
- A Play your Part Freedom month campaign
- Play your Part -Shape the Future' Youth Dialogues

# Creating and leveraging strategic relationships

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- **Shape the Future** is a Brand South Africa initiative that brings business leaders and young people together, with a focus on youth employment
  - 'Africa-European economic relations: from alienation to co-operation which featured 'Finnish Minister of European Affairs and Foreign Trade - in partnership with the Nelson Mandela Centre of Memory
  - A highly successful social entrepreneurship session was held with organised youth formations, with Deputy Minister Obed Bapela.
  - Brand South Africa closed its 'Shape the Future' youth events for 2012/13 with a programme in Mthatha, in the Eastern Cape, focusing on entrepreneurship and held in partnership with SpringAGE
- **Partnerships with business** associations were formed with Business Unity South Africa (BUSA), Business Leadership South Africa and the Black Business Council, with all actively participating in the Brand South Africa and the National Treasury messaging development process, for WEF Davos and WEF Africa



# Driving Active Citizenship - Play your part

- Established successful **Play Your Part partnerships** with:
  - Department of Sport & Recreation
  - Department of Arts and Culture
  - Department of Trade & industry and GCIS in promoting South Africa's participation in the **2012 Olympic Games** in London
  - The Olympics allowed South Africa to showcase its athletes, and its culture and heritage, through the Ekhaya Hospitality Centre
  - This 'home away from home' programme was a huge success and gave the world a taste of what makes South Africa so unique
- A partnership was formed with the **Department of Transport (DOT)** to promote its ongoing 'Arrive Alive' campaign



# Driving Active Citizenship - Play your Part Series 2

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- *The Play Your Part 13-episode TV series* screened during prime time on SABC 1 was very successful during the year under review, reaching the highest levels ever recorded
  - It was voted in the Top-10 of the most viewed documentaries on all SABC channels
  - It reached 51.6% of the target market
- The second series was flighted in the third quarter of the year on community television channels, providing a cost-effective platform to reach the masses.
- These TV channels included Bay TV, KZN TV and Soweto TV
- **Big Break Legacy** partnered with Brand South Africa to launch the second part of this popular television series on SABC 2



# Creating and leveraging strategic relationships

- Stakeholder mobilisation around cohesive nation brand
- Strategic cooperation framework between Brand SA, Proudly SA and SA Tourism
- The work of **mobilising stakeholders** was underpinned by rallying around the mantra that South Africa is 'open for business'
- It was agreed with **both the ANC & DA** that there should be a two-way flow of information between them and Brand South Africa.
- Brand South Africa held a successful summit to discuss the importance of grounding positive values in society with **faith-based organisations** (FBO)



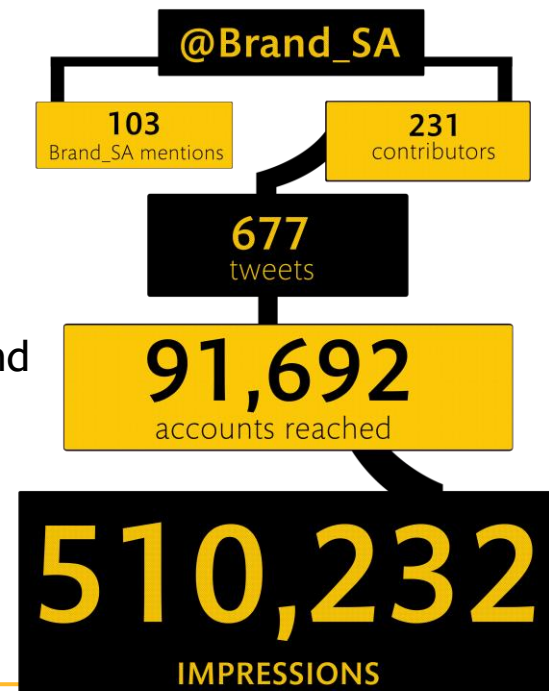
# Creating and leveraging strategic relationships

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- **Global South Africans** (GSA) network activated in the UAE in partnership with South African Business Council (UK, USA)
  
- **Export Councils:**
  - Wines of South Africa
  
  - Rooibos Council
  
  - Twenty-eight Export Councils benefited from the brand alignment training.
  
- **High-level engagements** were held with various government stakeholders:
  - Mpumalanga Provincial Government
  
  - Forum of South African Directors-General's management committee
  
  - Premier of the Western Cape and the Western Cape cabinet
  
  - The GCIS provincial roadshows were held in Gauteng and Limpopo, as platforms which encouraged South Africans to embrace Brand South Africa key messages

# Leveraging BrandSA programmes on digital platforms

- Growth in traffic across all online platforms.
- Live video streams from WEF Davos and other programmes:
  - Assisted the Department of Health to stream the Deputy President's address at the World Aids Conference
  - CNBC Africa at WEF Davos between President Jacob Zuma, Nigeria's President, Goodluck Jonathan, and other panelists
- Increasing on-line engagements with social media, has been a particular tactical focus for Brand South Africa during the year
  - It grew its Twitter following, across all accounts, to 47 145 and exceeded its already aggressive target by almost 100%
  - Its total follower growth for the year was 223%
- Launch of iOS and Android application for mobile devices







## **PROGRAMME 3**

# **REPUTATION MANAGEMENT**



# Leveraging Strategic International Platforms

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- The **Mining Indaba** was one of the crucial platforms that Brand South Africa used to interact with the mining industry and the international community.
- The **WEF programme** presented opportunities for Brand South Africa to ensure that all stakeholders were aligned behind South Africa's nation brand and produced unique media opportunities to promote South Africa at these platforms:
  - Delivered a robust communications programme for the WEF in Davos which included CNN, Time Magazine and CNBC Africa.
  - Partnership with CNBC on a live panel discussion
  - Hosting a stakeholder engagement panel discussion
  - Coordinating Team South Africa's meeting with the President and Cabinet Ministers



# Leveraging Strategic International Platforms

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- A major milestone for South Africa was the fifth **BRICS Summit**, which was hosted in South Africa, but also for the first time on African soil
- As a member of the Summit communications task team provided input into the development of the key messaging framework conceptualisation, development and implementation of the marketing toolkit and corporate identity guidelines.
- A collaboration with DTI and Dirco in the development of “**Why Invest in SA TV commercial**” which was flighted in support of BRICS summit.



*BRICS leaders at 5th BRICS Summit, in Durban*

# Leveraging International Media

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- Brand South Africa participated in the Botswana and India **state visits**, Germany and the Netherlands official visits, and the international trade and investment initiatives in India, the DRC, Qatar, Russia, Gabon, Cameroon, Zimbabwe, Equatorial Guinea and Turkey
- Partnered with the University of the Witwatersrand in a marketing initiative in Australia
- Partnered with the DTI and Deloitte to deliver the 2012 **Africa Dialogue** conference in April. Discussions centred on the African Developmental Agenda and how to drive the continent forward, sustainably
- Organised and hosted three successful incoming **media tours**; resulting in a range of positive articles in international media
  - The Science and Technology media tour was extremely successful and resulted in international journalists leaving with a positive perception of South Africa and recognising the country for its leadership in the Science and Technology field.



*Journalists from Nigeria, UAE and India at the South African Astronomical Observatory (SALT) in Sutherland.*

# In-Country activations

- Significant progress was made in educating Global South Africans (GSAs) and other stakeholders about the brand and providing them with the tools, insights, channels, platforms, networks and connections they needed to improve perceptions about South Africa
- Brand South Africa integrated itself into the work of the **Washington Embassy** and the Consulate General in **New York, Chicago and Los Angeles**, by appointing a programme manager in New York



Brand South Africa's Global South Africans booth at the International Rugby Sevens in Las Vegas.



Team South Africa exhibition at the London Olympics Ekhaya stand



# In-Country activations

- The performance of the **South African Olympics team** was a brand-enhancing event second only to the World Cup in 2010
  - The team's Ekhaya project (home away from home) focused attention on South African arts and culture, and was enhanced by the Department of Sport and Recreation's overall management, the Department of Arts and Culture's exhibition and Brand South Africa's branding and messaging.
  - One of the highlights was the GSA reception hosted by Brand South Africa's CEO'.
- A key focus in **Brazil** was on transcending traditional, media-orientated activities to build relationships between Brazilian businesses and South African officials responsible for trade, commerce and industry



Olympics 2012 - Ekhaya Village South Bank London



Brand South Africa and Global South African, Graham Perrett (centre), owner of Deli-SA, hosted an evening with Ambassador Ebrahim Rasool (right) and Mayor Bob Filner (left) in San Diego.

# In-Country activations

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- Media coverage of South Africa in **Russia** has increased significantly during the year under review, with a strategic goal being to generate media interest in positive developments and the promotion of South Africa's economic potential and competitive advantage, highlighting it as a destination for trade and investment.
- Brand South Africa effectively leveraged the close relationship between South Africa and **India** during the year. Impact was generated around major international trade events, leveraging some of South Africa's and India's high profile spokespeople and creating proactive opportunities to highlight trade stories and trends, including the growth in the science and engineering and other sectors.
- Coverage of South Africa as an investment and trade destination in **China** was mixed, with positive media interest in South Africa as a BRICS member tempered by mining strikes and difficulties for Chinese companies in the wider African continent. Brand South Africa's media activity focus in China has primarily centred on membership of BRICS



# In-Country activations

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- Brand South Africa secured good media coverage for South Africa, in **Nigeria**, including publicity for the Nelson Mandela Children's hospital, World Economic Forum, a response to the Fitch's country rating and the Oscar Pistorius case, and a byline on Nation Branding
- **Kenya** is a support market and the focus of activity was to create and build relationships with key media outlets particularly weekly and monthly economic titles
- Awareness of South Africa as an attractive trade and investment partner in **Germany** is high, despite the media's focus on political issues.
  - Brand South Africa focused on raising the awareness of South Africa's competitive advantages including its strong and sound financial systems, natural resources, regulatory environment, communications, energy and transport infrastructure by starting conversations about South Africa's milestones which included the BRICS summit, World Economic Forum Africa, Freedom Day, the German-South African Year of Science and the AU Summit.
- Brand South Africa's strategic focus during the year under review positioned South Africa as an investment hub, by using a number of already established synergies in trade relationships with the **UAE**



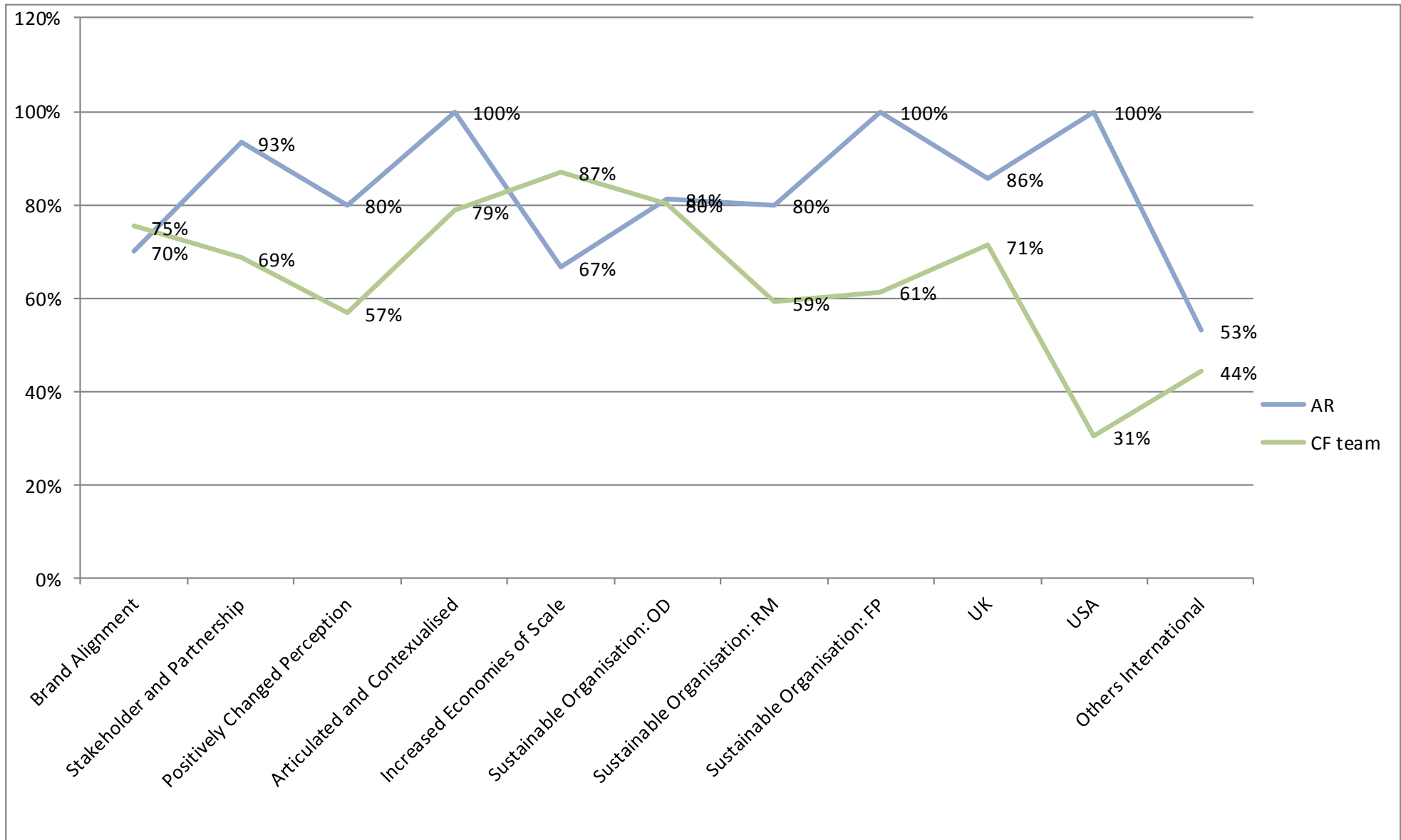
# PERFORMANCE RESULTS

# Overall Performance

- Overall organisational performance – 83% excluding tactical
- Including tactical – 81.8%

		AR	+ Tactical	
1	Brand Alignment	70%	60%	
2	Stakeholder and Partnership	93%	55%	
3	Positively Changed Perception	80%	48%	
4	Articulated and Contextualised	100%	66%	
5	Increased Economies of Scale	67%	70%	
6	Sustainable Organisation: OD	81%	80%	
7	Sustainable Organisation: RM	80%	47%	
8	Sustainable Organisation: FP	100%	61%	
	UK	86%	50%	
	USA	100%	25%	
	Others International	53%	36%	
	<b>Average score overall</b>	<b>83%</b>		

# Overall Performance: per Strategic Objective



# Performance Results – Impact

As at 31st March 2013

Impact measure / Indicator	Tool for measuring	(2009/10)	Baseline 2010/11 (actual)	Target 2011/12	Actual 2011/12	Target 2012/13	Actual 2012/13	Variance explanation
1. Improved international reputation	GfK Anholt Nation Brand Index	35	30 (37)	*	36	36	36	South Africa's global reputation remains stable.
	Brazil	35	31	29	34	28	34	Weaker performance on Exports and Governance.
	China	37	38	34	37	32	37	Same performance as in 2011 – weakness in Immigration and Investment.
	Egypt	39	34	34	40	34	37	Strong performance in Culture, People, and Tourism.
	Germany	31	36	35	29	35	34	Weaker performance in Exports and Governance.
	India	20	20	20	19	20	19	Same performance as 2011, strong on Culture, Tourism.
	Japan	48	49	48	47	47	47	Weak performance in Exports, Governance, and Immigration and Investment.
	Russia	42	46	44	43	42	40	Stronger performance in Culture, Exports.
	South Africa	4	3	3	4	3	7	Weak performance on Governance.
	South Korea	44	46	44	43	43	45	Weak performance in Exports, Immigration and Investment.
	UK	29	26	26	30	26	30	Same performance as in 2011.
	USA	30	38	36	40	34	35	Strong performance on Culture, People, and weaker in Governance.
2. Increased Brand Equity	Brand Finance Brand Valuation	\$99bn	(\$135bn)	\$139bn	\$149.7b	\$144	\$218bn	
3. Increased Competitiveness	WEF-GCI Index	45	44 (54)	44	50	(48 – 58)	52	Decreased Higher Education, Labour and the Health System.
4. Improved Media Reputation		56	50	55	48	55	34.49	Significant decrease due to the Marikana incident, on-going labour strikes as well as speculation around Mangaung.

## Outcome 1: Brand alignment by stakeholders

Outcome measure	Tool for measuring	Baseline 2010/11	Target 2011/12	Target 2012/13	Actual 2012/13
Brand compliance by stakeholders (Look and Feel)	Brand compliance audit	Develop audit tool	Develop audit tool	(90% -95%) compliance	Project implementation in Q1 of 2013 – results expected in September.
Alignment in terms of positioning	Content tracking around value proposition and messaging pillars	Develop tool and targets	Develop audit tool*	Set benchmark and target	Project implementation in Q1 of 2013 – results expected in September.

## Outcome 2: Increased pride and patriotism

Outcome measure	Tool for measuring	Baseline 2010/11	Target 2011/12	Target 2012/13	Actual 2012/13
Pride levels	Domestic tracker	90%	87%	88%	88%
Commitment levels	Domestic tracker	71%	75%	75%	85%
Social cohesion	National perceptions audit	72%	75%	77%	80.4%
Active citizenship	National perceptions audit	69%	72%	74%	79%

## Outcome 3: Articulation and contextualisation of South Africa policy that impact factors of competitiveness

Outcome measure	Tool for measuring	Baseline 2010/11	Actual 2011/12	Target 2012/13	Actual 2012/13
Awareness of South Africa policy positions by target audiences	Ease of doing business	Measurement tool. Put out tender to deliver on Project Thrive.	16%	(16-21)	6%
	Relevant laws and legislation		12%	(12-16)	40%
	Range of opportunities for investors		23%	(23-27)	26%
	First choice to invest		13%	(13-17)	9%
Awareness by stakeholders of how policy position impacts on South Africa competitiveness	Impact of messaging on opinion of reputation of South Africa	Not done	51%	(51-56)	Survey was not conducted.

Source: Thrive (Business Elite study). Source: Stakeholder satisfaction survey



#### Outcome 4a: Positively changed perceptions about South Africa within international target audiences

As per approved business plan		Baseline			
Outcome measure	Tool for measuring	Actual 2010/11	Target 2011/12	Target 2012/13	Actual 2012/13
Reputation ranking	Media Reputation Index	2010 YTD 50.28 *	55	55	34.49
Positive feelings towards South Africa	Global Citizens Survey	Project plan to set up survey and establish baselines developed	Baseline:	46%	74%
Willingness to speak positively about South Africa			44%		
			67%	67%	69%
Familiarity	Project Thrive Surveys		Actual		
Brazil		6.2	4.0	6.4	8.3
China		4.7	4.1	6.0	7.9
France		No data	6.8	7.0	No data
Germany		6.3	9.5	9.5	7.3
India		7.3	12.1	12.5	9.2
UK		4.2	4.1	4.5	3.5
US		3.9	9.1	9.2	2.6
Russia		0.4	0.4	2	0.3
Spain		No data	6.8	7.0	No data
Japan		No data	2.8	3.0	No data
UAE		10.2	8.2	8.4	3.0
Angola		No data	9.1	9.1	No data
Egypt		No data	8.6	8.6	No data
Kenya		14.2	10.3	10.5	19.7
Nigeria		11.3	8.4	8.5	11.3
Zimbabwe		No data	15.7	15.8	No data

#### Outcome 4b: Positively changed perceptions about South Africa within domestic target audiences

Outcome measure	Tool for measuring	Baseline 2010/11	Target 2011/12	Target 2012/13	Actual 2012/13
Awareness of the Brand South Africa pillars	Tracker (domestic)				
	Diversity	79%	80%	80%	80%
	Ubuntu	75%	77%	79%	71%
	Possibility	76%	78%	80%	74%
	Sustainability	74%	76%	76%	69%
	Innovation	65%	67%	69%	56%
Media Reputation Rankings (Domestic)	Media Reputation Index	Tender for domestic and social media monitoring services	73% (Oct-Jan)	(65-75)	34.49

## Outcome 5: Economies of scale and scope

As per approved Business Plan		Baseline		Target 2012/13	Actual 2012/13	Variance explanation
Outcome measure	Tool for measuring	Actual 2010/11	Actual 2011/12			
Joint funding	Funds raised as a % of total Brand South Africa budget	R4m	R2.2m	15% (R8million)	Target not met. R1 million raised from ESKOM - R500k; Old Mutual - R450k and KPMG - R50k.	Companies have not committed due to the prevailing economic environment. CSI budgets decreased.
Leveraging resources: Sponsorship and partnership value add	Value add as a % of total Brand South Africa budget	R9,3m	R5.4m	R10m	Target met. R9, 850,000 received in partnership and sponsorship value. An additional R5 million in partnership income pledged.	No variance.

## Outcome 6: Sustainable organisation

Outcome measure	Tool for measuring	Actual 2010/11	Baseline actual 2011/12	Target 2012/13	Actual 2012/13	Variance explanation
Organisational sustainability	Annual report with complete sustainability report	Governance, risk and compliance frameworks in place.	Top six strategic risks approved by the Board. Reviewed approved strategic risks.	Governance, Risk and compliance frameworks in place.	Target met. Approved Risk Management Framework implemented.	No variance.
		Unqualified audit report	Not applicable	Unqualified audit report (2011/12)	Target not met. The audit report was Unqualified on the financial statements only.	The 2011/12 audit raised material non-compliance matters.
		100% compliance: employment equity	Not met. In the process of developing a draft.	100% compliance: Employment equity	Target met. Disabled target met.	No variance.
Social and environmental contribution		CSI programme	Sponsored the Ebenezer Hannah Home and Vega School design competition.	CSI programme implemented	Target met. Policies developed and in place. Supported Ebenezer Hannah Home and Take a Girl Child to Work initiative.	No variance.
BEE spend		Compliance with BEE spend targets	In progress to set up a system that will monitor and track BEE spend.	60% of discretionary spend	Target met. Achieved 60% of BEE spend.	No variance.

# Organisational sustainability

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- Microsoft Customer Relationship Management (CRM) system was successfully deployed and all super- users identified and trained.
- Brand South Africa experienced no litigation for or against the organisation. However, there were two labour settlements
- Legal Services continued to manage the intellectual property of Brand South Africa across all 28 trademarked lines, within the identified four classes. Some trademarks are at various stages of registration
- A strategic planning process was undertaken with the Board of Trustees as well as all management.
- Subsequently all staff engaged in and developed the approved business plan which was submitted to the Executive Authority on time.

# Organisational sustainability

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- A concerted effort during the period under review was to correct the 2011/12 audit findings and ensure that HR administration could withstand strict scrutiny
  - Three successful team-building programmes were held in the second quarter of the year under review, namely:
    - Ebenezer Hannah Home outreach programme,
    - Radio 702's Walk the Talk and a
    - Management intervention during strategic planning workshop
  - The new financial year will focus on implementing policies and strategies, such as the Talent Management Strategy, in order to build a strong and competent workforce and to improve attrition
  - Plans are also underway to introduce additional modules to the SmartHR system, such as an automated online performance management tool
-



# Human Resources Statistics

TOTAL	Black	%	Coloured	%	Indian	%	White	%	TOTAL
Top Management	4	12%	1	3%	0	0%	0	0%	5
Senior Management	7	21%	0	0%	0	0%	4	12%	11
Professionally qualified and experienced Specialists and Mid management	6	18%	0	0%	1	3%	0	0%	7
Semi-Skilled and discretionary decision making	6	18%	1	3%	0	0%	1	3%	8
Unskilled and defined decision making	2	6%	0	0%	0	0%	0	0%	2
People with disabilities	0	0%	0	0%	0	0%	1	3%	1
<b>TOTAL</b>	<b>25</b>	<b>76%</b>	<b>2</b>	<b>6%</b>	<b>1</b>	<b>3%</b>	<b>6</b>	<b>18%</b>	<b>33</b>
<b>FEMALE</b>	<b>Black</b>	<b>%</b>	<b>Coloured</b>	<b>%</b>	<b>Indian</b>	<b>%</b>	<b>White</b>	<b>%</b>	<b>TOTAL</b>
Top Management	2	6%	1	3%	0	0%	0	0%	3
Senior Management	3	9%	0	0%	0	0%	0	0%	3
Professionally qualified and experienced Specialists and Mid management	4	12%	0	0%	1	3%	0	0%	5
Semi-Skilled and discretionary decision making	6	18%	1	3%	0	0%	1	3%	8
Unskilled and defined decision making	1	3%	0	0%	0	0%	0	0%	1
People with disabilities	0	0%	0	0%	0	0%	1	3%	1
<b>Sub-total: Female</b>	<b>16</b>	<b>48%</b>	<b>2</b>	<b>6%</b>	<b>1</b>	<b>3%</b>	<b>1</b>	<b>3%</b>	<b>20</b>
<b>MALE</b>	<b>Black</b>	<b>%</b>	<b>Coloured</b>	<b>%</b>	<b>Indian</b>	<b>%</b>	<b>White</b>	<b>%</b>	<b>TOTAL</b>
Top Management	2	6%	0	0%	0	0%	0	0%	2
Senior Management	4	12%	0	0%	0	0%	4	12%	8
Professionally qualified and experienced Specialists and Mid management	2	6%	0	0%	0	0%	0	0%	2
Semi-Skilled and discretionary decision making	0	0%	0	0%	0	0%	0	0%	0
Unskilled and defined decision making	1	3%	0	0%	0	0%	0	0%	1
People with disabilities	0	0%	0	0%	0	0%	0	0%	0
<b>Sub-total: Male</b>	<b>9</b>	<b>27%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>4</b>	<b>12%</b>	<b>13</b>
<b>TOTAL PDI</b>	<b>76%</b>		<b>6%</b>		<b>3%</b>		<b>15%</b>		
<i>Disabled</i>	<i>0</i>		<i>0</i>		<i>0</i>		<i>1</i>		<i>1</i>
<b>GRAND TOTAL: M+F</b>	<b>25</b>		<b>2</b>		<b>1</b>		<b>5</b>		<b>33</b>
<b>Percentage</b>	<b>76%</b>		<b>6%</b>		<b>3%</b>		<b>15%</b>		<b>100%</b>



# FINANCIAL STATEMENTS



Inspiring new ways

# Annual Financial Statements

## Brand South Africa Trust

Trading as Brand South Africa

Financial statements for the year ended 31 March 2013

## Statement of Financial Performance

Figures in Rand	Note(s)	2013	2012
Revenue	14	154 779 000	140 089 000
Other income	15	5 948 555	2 950 520
Operating expenses (refer to detailed statement of financial performance)		(163 070 985)	(173 051 750)
<b>Operating deficit</b>		<b>(2 343 430)</b>	<b>(30 012 230)</b>
Investment income	18	319 657	1 368 538
Finance costs	19	(204 177)	(10 684)
<b>Deficit for the year</b>		<b>(2 227 950)</b>	<b>(28 654 376)</b>

# Brand South Africa Trust

Trading as Brand South Africa  
Financial statements for the year ended 31 March 2013

## Statement of Financial Position

Figures in Rand	Note(s)	2013	2012
<b>Assets</b>			
Current Assets			
Operating lease asset	5	33 132	-
Receivables from exchange transactions	8	5 411 076	1 096 648
Receivables from non-exchange transactions	9	-	31 284 000
Prepayments	7	85 730	1 412 355
Cash and cash equivalents	10	30 510 446	81 399
		<b>36 040 384</b>	<b>33 874 402</b>
Non-Current Assets			
Property, plant and equipment	2	2 147 834	1 819 791
Intangible assets	3	179 304	373 155
Heritage assets	4	133 556	
Deposit paid		608 139	397 070
Operating lease asset	5	567 542	-
		<b>3 636 375</b>	<b>2 590 016</b>
<b>Total Assets</b>		<b>39 676 759</b>	<b>36 464 418</b>
<b>Liabilities</b>			
Current Liabilities			
Finance lease obligation	11	130 917	119 689
Operating lease liability	5	500 462	130 609
Payables from exchange transactions	13	31 868 408	26 592 721
Provisions	12	1 094 219	1 079 001
		<b>33 594 006</b>	<b>27 922 020</b>
Non-Current Liabilities			
Finance lease obligation	11	81 968	212 885
Operating lease liability	5	-	100 775
		<b>81 968</b>	<b>313 660</b>
<b>Total Liabilities</b>		<b>33 675 974</b>	<b>28 235 680</b>
<b>Net Assets</b>		<b>6 000 785</b>	<b>8 228 738</b>
Accumulated surplus		6 000 785	8 228 738



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# Brand South Africa Trust

Trading as Brand South Africa

Financial statements for the year ended 31 March 2013

## Statement of Changes in Net Assets

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Figures in Rand	Accumulated surplus	Total net assets
Balance at 01 April 2011	36 883 114	36 883 114
Changes in net assets	-	-
Surplus for the year	(28 654 376)	(28 654 376)
<b>Total changes</b>	<b>(28 654 376)</b>	<b>(28 654 376)</b>
Opening balance as previously reported	8 177 089	8 177 089
Prior Year Adjustments	51 646	51 646
<b>Balance at 31 March 2012</b>	<b>8 228 735</b>	<b>8 228 735</b>
Surplus for the year	(2 227 950)	(2 227 950)
<b>Total changes</b>	<b>(2 227 950)</b>	<b>(2 227 950)</b>
<b>Balance at 31 March 2013</b>	<b>6 000 785</b>	<b>6 000 785</b>

# Brand South Africa Trust

Trading as Brand South Africa  
Financial statements for the year ended 31 March 2013

## Cash Flow Statement

Figures in Rand	Note(s)	2013	2012
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Grants		154 779 000	140 089 000
Interest income		319 657	1 368 538
Other receipts		5 836 575	2 980 520
		160 935 232	144 438 058
<b>Payments</b>			
Employee costs		(26 816 384)	(23 340 915)
Suppliers		(101 698 704)	(170 756 456)
		(128 515 088)	(194 097 371)
<b>Net cash flows from operating activities</b>	22	<b>32 420 144</b>	<b>(49 659 313)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(1 153 721)	(968 524)
Proceeds from sale of property, plant and equipment	2	-	30 001
Purchase of other intangible assets	3	(168 885)	(348 636)
Purchases of heritage assets	4	(133 556)	-
Deposit paid		(211 069)	-
<b>Net cash flows from investing activities</b>		<b>(1 667 231)</b>	<b>(1 287 159)</b>
<b>Cash flows from financing activities</b>			
Finance lease asset			382 208
Finance lease payments		(119 689)	(49 634)
Finance costs		(204 177)	(10 684)
<b>Net cash flows from financing activities</b>		<b>(323 866)</b>	<b>321 890</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>30 429 047</b>	<b>(50 624 582)</b>
Cash and cash equivalents at the beginning of the year		81 399	50 705 981
<b>Cash and cash equivalents at the end of the year</b>	10	<b>30 510 446</b>	<b>81 399</b>



# Brand South Africa Trust

Trading as Brand South Africa  
Financial statements for the year ended 31 March 2013

## Statement of Comparison of Budget and Actual Amounts

### Budget on Cash Basis

Figures in Rand	Approved Budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
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### Statement of Financial Performance

#### Revenue

##### Revenue from exchange transactions

Other income	-	-	-	1 862 616	1 862 616
Partnership Income	2 000 000	-	2 000 000	4 085 939	2 085 939
Interest received - investment	1 000 000	-	1 000 000	319 657	(680 343)
<b>Total revenue from exchange transactions</b>	<b>3 000 000</b>	<b>-</b>	<b>3 000 000</b>	<b>6 268 212</b>	<b>3 268 212</b>

##### Revenue from non-exchange transactions

<b>Taxation revenue</b>					
Government grants and subsidies	154 779 000	-	154 779 000	154 779 000	-
<b>Total revenue</b>	<b>157 779 000</b>	<b>-</b>	<b>157 779 000</b>	<b>161 047 212</b>	<b>3 268 212</b>

#### Expenditure

Personnel	(29 571 000)	-	(29 571 000)	(26 843 546)	2 727 454
Depreciation and amortisation	(586 000)	-	(586 000)	(1 100 439)	(514 439)
Finance costs	(210 000)	-	(210 000)	(204 177)	5 823
Repairs and maintenance	(160 000)	-	(160 000)	(173 505)	(13 505)
General Expenses	(127 252 000)	-	(127 252 000)	(133 953 758)	(6 701 758)
<b>Total expenditure</b>	<b>(157 779 000)</b>	<b>-</b>	<b>(157 779 000)</b>	<b>(162 275 425)</b>	<b>(4 496 425)</b>

<b>Operating deficit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 228 213)</b>	<b>(1 228 213)</b>
Loss on disposal of assets and liabilities	-	(125 000)	(125 000)	(87 973)	37 027
Loss on foreign exchange	-	(913 000)	(913 000)	(911 764)	1 236
	-	(1 038 000)	(1 038 000)	(999 737)	38 263
<b>Deficit before taxation</b>	<b>-</b>	<b>(1 038 000)</b>	<b>(1 038 000)</b>	<b>(2 227 950)</b>	<b>(1 189 950)</b>
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>-</b>	<b>(1 038 000)</b>	<b>(1 038 000)</b>	<b>(2 227 950)</b>	<b>(1 189 950)</b>

The reasons why there was a variance in the year under review is reflected in note 33 of the annual financial statements.





# LOOKING AHEAD



Inspiring new ways

# Looking ahead

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- Annual South African Competitiveness Forum (SACF)
- WEF Global & Regional Platforms
- Play Your Part Programme
  - NDP
  - 20 Years of democracy achievement and successes
- National Infrastructure Plan campaign
- Ongoing Reputation Management







# THANK YOU