



NATIONAL NUCLEAR REGULATOR

For the protection of persons, property and the environment against nuclear damage.

NATIONAL NUCLEAR REGULATOR OVERVIEW OF STRATEGIC OBJECTIVES



NNR History

1999. The National Nuclear Regulator Act No. 47 of 1999 establishes the NNR.

The Nuclear Energy Act No. 46 of 1999 establishes the South African Nuclear Corporation as an SOE.

1988. The Nuclear Energy Amendment Act is promulgated, It establishes the council for Nuclear safety (CNS) an independent juristic person.

1993. The Nuclear Energy Act of 1993 No.131 I promulgated. This includes a promotional entity (AEC) and a regulatory entity (CNS).

1982. The nuclear Energy Act of 1982 establishes the Atomic Energy Corporation of SA limited (AEC) to succeed AEB. AEC retains regulatory body under a separate independent council for Nuclear safety (CNS) whose role was to monitor the work of the AEC's licensing branch.

1970. AEB establishes a separate licensing branch to perform the scientific technical functions associated with regulatory control of safety. It appoints the Nuclear Safety Advisory Committee.

1963. the Nuclear Installations Act of 1963 establishes a regulatory function vested in the Atomic Energy Board (AEB)

1948. Atomic Energy Act established Atomic Energy Board (predecessor of NECSA)

START



PURPOSE & MANDATE



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NNR LEGISLATIVE FRAMEWORK

- The National Nuclear Regulator Act, 1999
 - Establishes the Regulator, sec 3
 - The Regulator's Governance Structure, sec 8 – 16
 - The Regulator's financial matters, sec 17 and 18
 - Cooperative Governance, sec 6
 - Regulation and licensing of nuclear activities, sec 20 – 28
 - Strict liability (NIL holders), sec 29 – 31 and 33, 34
 - Common law and statutory liability (holders of other forms of nuclear authorizations), sec 32
 - Safety, emergencies and enforcement, sec 36 - 42
 - Administrative justice provisions, sec 43 – 46
 - Whistleblowing and disclosure of information, sec 51
 - Criminalization for violation of Act, sec 52
 - Judicial management and liquidation of the Regulator, sec 19



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NNR LEGISLATIVE MANDATES

1.	Provide for the protection of persons, property and the environment against nuclear damage through the establishment of safety standards and regulatory practices;
2.	Exercise regulatory control related to safety over the siting, design, construction, operation, manufacture of component parts, and decontamination, decommissioning and closure of nuclear installations;
3.	Exercise regulatory control over other actions, to which this Act applies, through the granting of nuclear authorisations;
4.	Provide assurance of compliance with the conditions of nuclear authorisations through the implementation of a system of compliance inspections;
5.	Fulfil national obligations in respect of international legal instruments concerning nuclear safety;
6.	Ensure that provisions for nuclear emergency planning are in place.



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KEY ENACTED FUNCTIONS OF THE REGULATOR

1.	Grant or amend nuclear authorisations;
2.	Employ assets and deploy resources (hire, purchase, acquire);
3.	Collaborate with other institutions for the collection and dissemination of scientific and technical information regarding nuclear energy;
4.	Collaborate with other institutions regarding provision of instruction for or training of persons required by the NNR;
5.	Provide financial and other assistance for the training of people to enable the NNR to perform its functions;
6	Insure itself against loss, damage, risk or liability;
7.	Advise the Minister on: <ul style="list-style-type: none">a. Conditions that may cause nuclear damageb. Items the Minister has referred to the NNRc. What the NNR thinks necessary;
8.	Act as national competent Authority in connection with International Atomic Energy Agency's Regulations;
9.	Conclude contracts to enhance the value of the services rendered by the NNR;
10.	Prepare & submit annual report on the health & safety of workers, the public and environment associated with all sites.

NATIONAL NUCLEAR REGULATORY GOVERNANCE



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BOARD MEMBERS



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NNR GOVERNANCE STRUCTURES

DEFINE MANDATE

MINISTER OF ENERGY
(CABINET, PARLIAMENT)

NNR BOARD OF DIRECTORS

FORMULATE STRATEGY
EXERCISE ALL DECISION MAKING POWERS
AS PER THE NNR ACT

SME ON DIFFERENT AREAS:
RECOMMEND TO FULL BOARD

BOARD COMMITTEES
TC, TDC & ARMCOM

CEO

LEADER OF THE EXECUTIVE AND MEMBER OF
THE BOARD

EXECUTE STRATEGIC PLAN

EXCO

Management

SUBJECT SPECIFIC
COMMITTEES

BID COMMITTEES

ICT COMMITTEE

TRAINING
COMMITTEE

RISK
MANAGEMENT
COMMITTEE

PROJECT
STEERING
COMMITTEE



FACILITIES WE AUTHORISE

NPP

- The NNR regulates Koeberg Nuclear Power Station the only nuclear power station on the African continent. The NPP is owned and operated by Eskom. The NPP is authorised under NIL-1 variation 17 containing 19 license conditions.

NTWP & Necsa

- The NNR regulates the nuclear fuel cycle facilities of the South African Nuclear Energy Corporation. These facilities are authorised in terms of 42 Nuclear Installation Licences. The NNR also regulates Vaalputs which is located in the Northern Cape Province which is a low to intermediate waste disposal facility.

NORM

- The NNR regulates the NORM facilities by means of a Certificate of Registration. There are about 151 of these at the moment and they are issued for the following categories.
 - Mining and Mineral processing facilities
 - Scrap smelters
 - Fertilise manufacturers
 - Small users, and
 - Service providers



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STRATEGIC OVERVIEW

VISION

To be an independent world class regulatory authority on nuclear safety

MISSION STATEMENT

To provide and maintain an effective and efficient national regulatory framework for the protection of persons, property and the environment against nuclear damage



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VALUES

Value	Description
Professionalism	We hold ourselves accountable to the highest standards of professionalism in everything we do
Integrity	We demonstrate integrity and ethical conduct in all we do
Excellence	We strive for excellence in all we do
Valuing People	We demonstrate that we value our people in all we do
Team Work	We demonstrate a team working approach across the NNR
Openness and transparency	We demonstrate openness and transparency in our interactions with all stakeholders

STRATEGIC OUTCOME ORIENTED GOALS



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GOALS

1. Effective Regulatory oversight and framework to assure Nuclear Safety and Security
2. Strengthen stakeholder relations and enhance corporate image
3. Create a high performance culture
4. Ensure financial viability and sustainability of the organisation
5. Develop and maintain sound organizational infrastructure
6. Enhance good governance
7. Ensure effective Human Capital Management



SPECIFIC OBJECTIVES

STRATEGIC GOALS	PROPOSED STRATEGIC OBJECTIVES
1. Effective Regulatory oversight and framework to assure Nuclear Safety and Security	<ol style="list-style-type: none"> 1. To process applications for nuclear authorisations in a timely and accurate manner 2. To assure that holders have an effective emergency preparedness plan 3. To benchmark and update nuclear safety and security standards and regulatory practices in line with national & international standards and requirements 4. To establish an independent environmental radio-analytical laboratory 5. To provide compliance assurance of nuclear safety and security through inspections, audits, investigations and taking of enforcement action for identified non-compliance. 6. To strengthen the NNR ability to undertake independent verification through the use of computer codes. 7. To ensure that the NNR responds to initiatives related to nuclear expansion 8. To assure effective implementation of nuclear security measures 9. To undertake regulatory research that ensures that the regulatory regime is strengthened



SPECIFIC OBJECTIVES

CURRENT STRATEGIC GOALS	PROPOSED STRATEGIC OBJECTIVES
2.Strengthen stakeholder relations and enhance corporate image	<ul style="list-style-type: none"> To strengthen stakeholder relations and improve public awareness.
3.Create a high performance culture	<ul style="list-style-type: none"> To establish and maintain a high performance culture through effective performance systems and people management.
4.Ensure financial viability and Sustainability of the organisation	<ul style="list-style-type: none"> To ensure prudent financial management To ensure that the NNR continues to remain a financially viable entity.
5.Develop and maintain sound organizational infrastructure	<ul style="list-style-type: none"> To implement and maintain ICT solutions that support business processes. To implementadequate physical infrastructure that creates a conducive working environment.



SPECIFIC OBJECTIVES

CURRENT STRATEGIC GOALS	PROPOSED STRATEGIC OBJECTIVES
6.Enhance good governance	<ul style="list-style-type: none">• To improve and maintain an effective system of internal controls• To improve and maintain an effective system of risk management• To ensure compliance with applicable legislation and policy frameworks• To ensure continuous development and maintenance of independent and effective governance structures.• To improve and maintain effective internal audit system.
7.Ensure effective Human Capital Management	<ul style="list-style-type: none">• To ensure effective talent management

PRIORITY PROJECTS / INITIATIVES

- 1. Steam Generator Replacement program at Koeberg Nuclear Power Station**
- 2. Participation in government structures and international forums in preparation for nuclear new build**
- 3. Securing of resources related to nuclear expansion**
- 4. Completion of the Independent environmental radio analytical laboratory**
- 5. Independent verification through the use of computer codes.**
- 6. ICT infrastructure maintenance**
- 7. Physical infrastructure expansion**
- 8. Integrated management systems**
- 9. Establishment of the Nuclear and Radiation Safety Centre of Excellence**



OTHER ASSUMED DEVELOPMENTS IMPACTING ON THE NNR

1. Early Engagement with Eskom for the New Nuclear Build
2. Preparatory/exploratory discussions for SAFARI -2
3. National Radioactive Waste Disposal Institute
4. Preparation for the Integrated Regulatory Review mission (IRRS) by the IAEA



FINANCIAL INFORMATION



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MTEF FUNDING ALLOCATION

Statement of financial performance						Expen- diture/ total: Average (%)				Average growth rate (%)	Expen- diture/ total: Average (%)
	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term estimate			Average growth rate (%)	
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Revenue											
Tax revenue	–	–	–	–	–	–	–	–	–	–	–
Non-tax revenue	94 647	92 170	103 977	122 419	9.0%	75.9%	137 149	149 255	165 878	10.7%	78.7%
Sale of goods and services other than capital assets	89 854	88 479	99 068	120 844	10.4%	73.0%	136 581	148 873	162 271	10.3%	77.9%
of which:											
Administrative fees	89 503	88 479	99 068	120 844	10.5%	72.9%	136 581	148 873	162 271	10.3%	77.9%
Sales by market establishment	351	–	–	–	-100.0%	0.1%	–	–	–	–	–
Other sales	–	–	–	–	–	–	–	–	–	–	–
Other non-tax revenue	4 793	3 691	4 909	1 575	-31.0%	2.9%	568	382	3 607	31.8%	0.8%
Transfers received	19 954	35 430	30 912	48 360	34.3%	24.1%	33 697	34 887	36 736	-8.8%	21.3%
Total revenue	114 601	127 600	134 889	170 779	14.2%	100.0%	170 846	184 142	202 614	5.9%	100.0%
Expenses											
Current expenses	112 264	126 010	120 234	170 779	15.0%	100.0%	170 846	184 142	202 614	5.9%	100.0%
Compensation of employees	74 083	82 310	75 106	96 951	9.4%	62.6%	106 952	114 885	124 128	8.6%	60.8%
Goods and services	35 207	38 654	31 321	54 940	16.0%	30.1%	49 689	54 128	62 450	4.4%	30.4%
Depreciation	2 678	5 046	9 154	12 537	67.3%	5.3%	8 373	8 413	9 563	-8.6%	5.4%
Interest, dividends and rent on land	296	–	4 653	6 351	177.9%	2.0%	5 832	6 716	6 473	0.6%	3.5%
Transfers and subsidies	–	–	–	–	–	–	–	–	–	–	–
Total expenses	112 264	126 010	120 234	170 779	15.0%	100.0%	170 846	184 142	202 614	5.9%	100.0%
Surplus/(Deficit)	2 337	1 590	14 655	–	-100.0%	–	–	–	–	–	–



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MTEF FUNDING TRAJECTORY

- Overall, the NNR is projecting an average growth of 9% on total revenue over the MTEF period from R149 million (2012/13) to R176 million in 2015/16 financial period.
- The Regulator has already started to bill Eskom for the steam generator replacement project underway and busy acquiring request capacity to deal with the project regulation.



Statement of Financial Position analytical review

- Non current assets increased by 7% to R128 million mainly because of acquisition of equipment for Radio Activity Analysis Laboratory during the year.
- Cash and cash equivalent increased by 32% to R84 million attributable to special Capex (R31 million) and invoices issued at the last quarter of the year due to late approval of authorisation fees (14 million).
- Payables from exchange transactions increased 128% (R3,4 million) and this is attributed to LSC and Detectors delivered and partially paid by the end of the financial year
- Provisions increase by 27% (R2,4 million) for both performance and leave inclusive of staff growth and salary increase.
- Other financial liabilities decreased by 5% which is mainly related to bond repayment iro HQ building
- Employee benefit obligation (medical) increased by 8% as per actuarial valuation.
- Unspent conditional grant increased by 5% to R31 million net of disbursements during the financial year. The increase is attributed to additional R17 million received during the year for RECC and CT office accommodation.





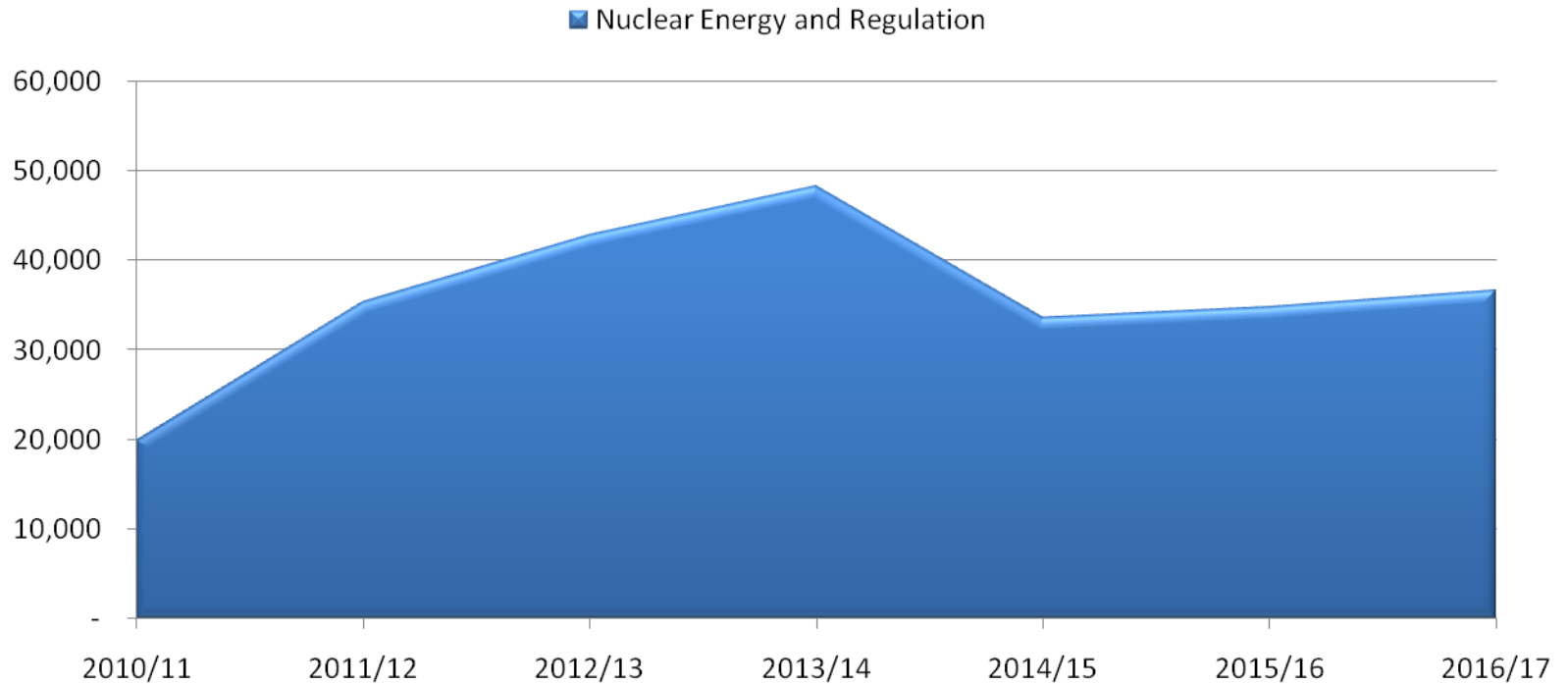
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BASELINE ASSESMENT – NATIONAL NUCLEAR

2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
19,954	35,430	42,912	48,360	33,697	34,887	36,736
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DOE - MTEF BASELINE TRENDS NNR



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CAPITAL PROJECTS IN PROGRESS

LABORATORY GRANT: 18 MILLION

- The project is complete and the validation of methods is in progress
- The Regulator has paid R22 million on the project so far and is expected to cost an additional R6 million towards accreditation and operation.

2012/13: R12 MILLION : EMERGENCY CONTROL CENTRE (ECC)

- The project in progress and R12 million worth of contracts were concluded as at 31 March 2014 while negotiations of work package to the value of R6 million is at an advanced stage.
- This project is planned for completion and operation in 2015/16 financial year.

2013/14: R17 MILLION : ECC AND CAPE TOWN OFFICE UPGRADE

- Procurement of Cape Town site office refurbishment is underway and the project is planned for completion in 2015/16 financial year.



CONCLUSIONS

- **Nuclear safety must be a foremost prerequisite for any country's nuclear programme**
- **An independent, effective and efficient nuclear regulatory body must provide regulatory oversight to that programme**
- **NNR has engaged in preparations for new build, whilst also maintaining a clean record on the currently operating nuclear plant and other facilities**
- **We take our mandate to protect the South African public, property and environment against harmful effects of radiation with the utmost seriousness**
- **Any nuclear project, including the possible nuclear build proposals will be subjected to rigorous safety assessments and regulatory oversight consistent with our legislation, our regulations and international best practice**

