



**PRESENTATION TO THE PARLIAMENTARY PORTFOLIO COMMITTEE**

**Strategic Plan 2020-2025 & Annual Performance Plan  
2024-2025**

**20 March 2024**

**Presented By:  
Prof J Mahachi  
Mr Richard Somanje  
Ms Lebogang Dire**

## Presentation Overview

- Mandate.
- Agrément South Africa Act's requirements.
- Alignment to National Development Plan, National Growth Path and Medium-Term Strategic Framework.
- Alignment to DPWI Strategic Outcomes & Government's 7 priorities.
- Vision, Mission & Values.
- ASA's External and internal Environment Analysis.
- ASA's Board.
- Organisational Structure.
- ASA's Strategies over the Next five years
- Alignment of DPWI objectives to ASA's APP.
- Certificates issued VS Projects Assessed
- Annual Performance Plan per programme for 2024/2025 Financial Year
- Programme resource consideration over MTEF.
- Risk Management
- Conclusions

## ASA Mandate

In terms of the Act, the objectives of ASA are to:

- Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction related products or systems;
- Support and promote the process of integrated socio-economic development in the Republic as it relates to the construction industry;
- Support and promote the introduction and use of certified non-standardised construction-related products or systems in the local or international market;

## ASA Mandate

- Support policy-makers in minimising the risk associated with the use of a non-standardised construction-related product or system and
- Be an impartial and internationally acknowledged South African centre for the assessment and confirmation of fitness-for-purpose of non-standardized construction-related products or systems.

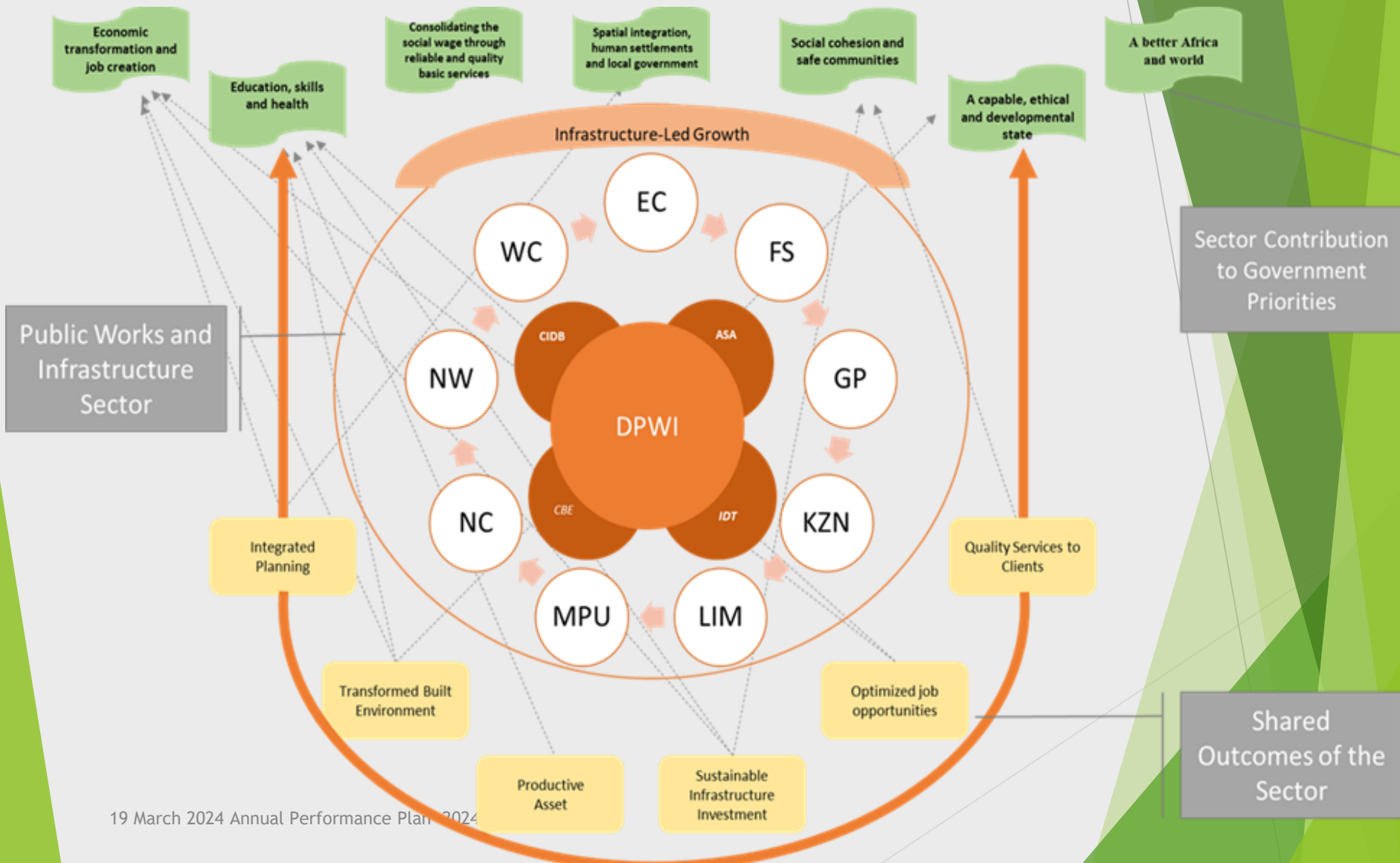
## Agrément South Africa Act's requirements

- Make rules determine the processes, procedures and forms for and relating to the issuing, amendment, suspension, reinstatement, withdrawal, or renewal of an Agrément Certificate;
- Issue a certificate in the prescribed form if it is satisfied that a non-standardized construction-related product or system is fit for purpose, subject to the payment of the required fees;
- Monitor such certificates and manage the renewal of all certificates through annual inspections and validity reviews;
- Establish and maintain a public register of rejected applications and certificates issued, amended, suspended, reinstated, withdrawn and renewed.

# Alignment to National Development Plan (NDP), NGP and MTSF

- In support of its Executive Authority, ASA aligns with the government-wide plans identified in the seven priorities of Government as stated by the President. The priorities are meant to address the country's current harsh economic challenges.
- These seven priorities aim to fast-track South Africa's path to prosperity. Implementing the plans will enable the government to realise the vision of the National Development Plan (NDP) and Vision 2030.
- The priorities will focus on actions with the most significant impact, fostering immediate short- and long-term benefits over the next five years. The stagnant economy will rely on the following seven priorities to kick-start the economy:

# Alignment to National Development Plan (NDP), NGP and MTSF



## Agreement South Africa Alignments to NDPWI's Outcomes and 7 Priorities

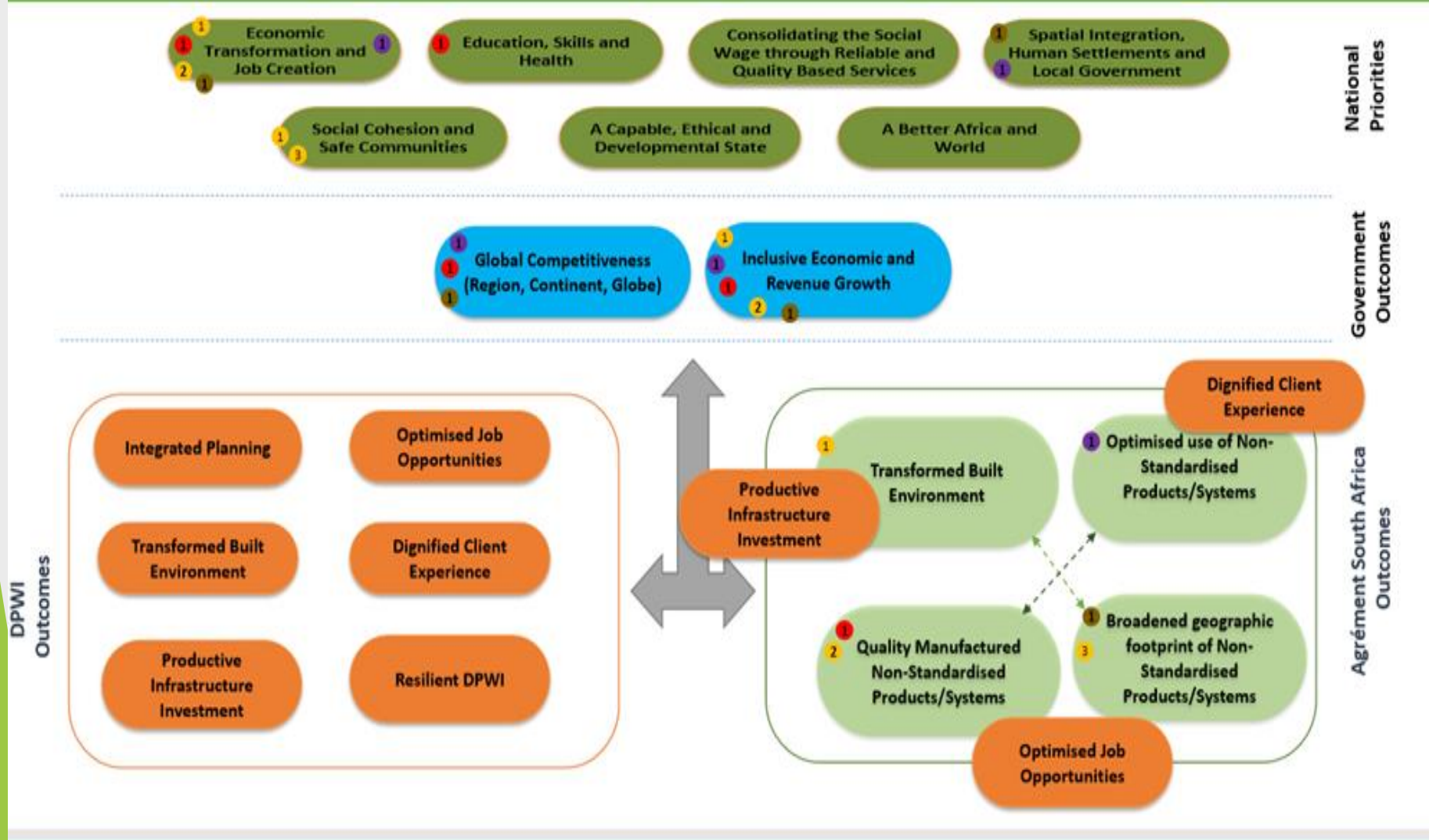
- In this regard, ASA will contribute to the DPWI's mandate to address poverty alleviation and unemployment reduction in the country. The certificates awarded by ASA allow the users to build infrastructure within the country. The ASA certificates have been deemed to satisfy status within the National Building Regulations and thereby comply with the requirement of the National Building Standards.
- These ASA-approved products will be used to deliver social infrastructure in the country. The construction of these social infrastructures will provide those involved in delivering this infrastructure with employment opportunities for the duration of the implementation of the projects and thereby contribute towards poverty alleviation and unemployment reduction amongst the beneficiary communities.



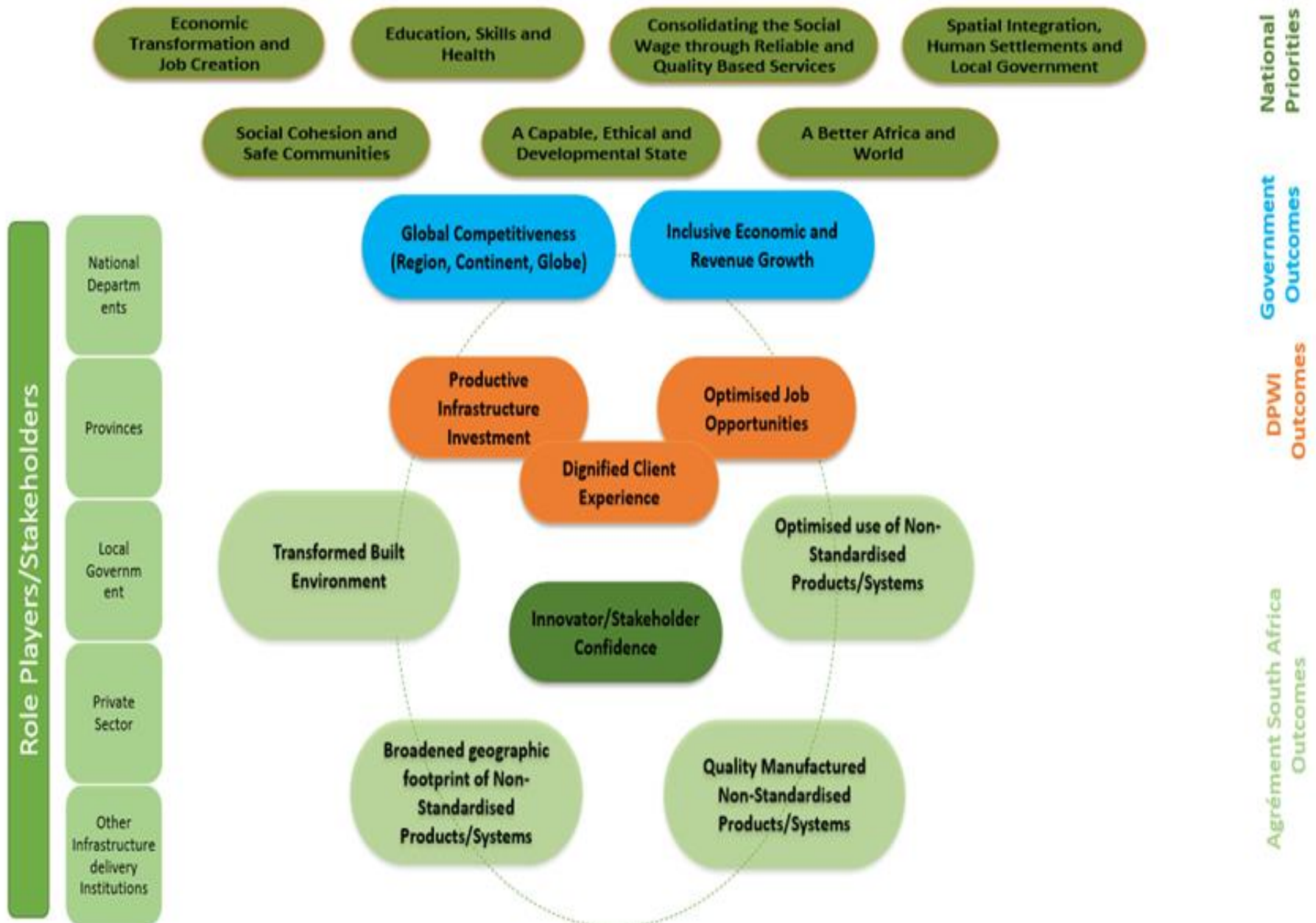
## Agrement South Africa Alignments to NDPWI's Outcomes and 7 Priorities

- The ASA has identified four strategic outcomes for 2020-2025. While functions of the ASA cut across the entire built environment sector, its primary alignment is with the DPWI's strategic outcomes, as summarised below:

# Agrément South Africa Alignment to NDPWI's Outcomes and 7 Priorities



# Agreement South Africa Strategy Map



## Agrément South Africa's Vision

To be a centre of excellence for non-standardised construction products and systems.

## To enhance ASA's position as the internationally acknowledged South African centre of excellence:

- for assessment and certification of fitness-for-purpose non-standardised construction-related products or systems.
- Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction-related products or systems.
- Support and promote the process of integrated socio-economic development in the Republic as it relates to the construction industry.
- Support and promote the introduction and use of certified non-standardised construction-related products or systems in the local or international market and
- Support policymakers to minimise the risk associated with the use of non-standardised construction-related products or systems.

# Agrément South Africa's Values

ASA's values are aligned with the values espoused in the Constitution. The core values that underpin the culture of ASA are:

- **People** – Respect people for who they are, their knowledge, skills and experience as individuals and team members.
- **Reputation** – Upholding ASA's brand through excellence, integrity and quality.
- **Innovation** – Inspire the introduction of sustainable, innovative solutions.
- **Diversity** – Embracing a dynamic and multi-cultural environment that respects the individual.
- **Accountability** – Assume ownership of what happens because of one's choices and actions.

## SITUATIONAL ANALYSIS

# Agrément South Africa (ASA) External Environment Analysis

- The global pandemic for the last two years has affected the South African economy, adversely affecting the construction industry.
- The impact was devastating, resulting in several construction companies closing their operations.
- The increase in the cost of living will continue to impact the affordability of certification; therefore, this will cause a decrease in several project applications and revenue generation.
- Power interruptions continue to negatively impact the manufacturing industry, thus leading to low production of innovative technologies.

## SITUATIONAL ANALYSIS

# Agrément South Africa (ASA) External Environment Analysis

- The low economic growth has resulted in businesses closing down and losing employment in the country.
- The current fiscal constraints experienced by the country have resulted in low tax collections, resulting in the National Treasury imposing budget cuts and cost-containment measures.
- The current Agrément South Africa Act. No 11 of 2015 and other government policies do not promote the regulation of using ASA-certified products. The voluntary certifications confront ASA with the following challenges:



# SITUATIONAL ANALYSIS

## Agrément South Africa (ASA) External Environment Analysis

- Agrément certificate holders compete for government projects with non-certified innovative technologies owners;
- Difficulty in promoting the use of certified innovative technologies;
- Difficulty in regulating the use of innovative technologies country-wide; and
- Difficulty registering innovative technologies as many products are not certified.

# SITUATIONAL ANALYSIS

## Agrément South Africa (ASA) External Environment Analysis

- The effects of climate change or the demands for carbon-neutral building technologies will increase the number of innovative technologies, requiring ASA to monitor new innovative technologies closely.
- The global drives regarding environmental aspects present an opportunity for projects like ecoASA. ASA will need to seek more climate-friendly building technologies and get certified proactively.

# SITUATIONAL ANALYSIS

## Agrément South Africa (ASA) External Environment Analysis

To address the issues highlighted by the PESTEL tool, the following initiatives will be implemented:

- Memorandum of Understanding (MOU) signed with specifiers to promote and increase the demand for innovative technologies.
- Engaging with affected certificate holders to come up with relevant solutions. Keeping abreast of construction interruptions that affect the industry and thereby affect certificate holders.
- Review certificate holder's database to rank certificate holders regarding micro-enterprises, etc.
- Review research and development processes to respond to technological advances.

## SITUATIONAL ANALYSIS

### Agrément South Africa (ASA) External Environment Analysis

- Continue to review the Act to limit the use of innovative uncertified systems and products and protect the public from unsafe products and systems. To engage the policymakers to expedite the review of the Act.
- ASA will continue implementing eco-labeling to address the impact of climate change, ensuring the products and materials are environmentally friendly. This initiative will facilitate the introduction of a Green Economy.
- ASA will continue to analyse industry trends regarding the usage of ASA-certified products and systems, as opposed to conventional materials and methods.

## SITUATIONAL ANALYSIS

# Agrément South Africa (ASA) External Environment Analysis

Agrément South Africa has used a SWOT analysis to develop the Annual Performance Plan. The internal factors that impact the operations of Agrément South Africa include strengths, weaknesses, opportunities, and threats are discussed below:

Below is ASA's internal analysis as it seeks to improve its effectiveness in the built environment:

# SITUATIONAL ANALYSIS

## Agrément South Africa (ASA) External Environment Analysis

### STRENGTHS

- Conducting post-certification Annual Quality Compliance Inspections to manage the organisation's reputational risk.
- Clear and unique mandate that is legislated.
- The inclusion of ASA in the Green Building policy program through the Eco-labelling and Green Building Rating Tool supports sustainable development promotion.
- The review of the Agrément South Africa Act No. 11 of 2015 enables the organisation to regulate the construction of innovative technology space.
- Collecting market usage data through performance in-use assessments enables ASA to improve customer service and support.
- Increased visibility through marketing initiatives (billboards, stakeholder engagements, and publications on the ASA website and social media sites)
- Empowerment of the employees through training and development programs;

### WEAKNESSES

- Lack of understanding of ASA requirements by the specifiers, industry, and the public at large.
- Lack of auditing and monitoring tools for annual inspections.
- Lack of digital certification to safeguard records.
- Insufficient SANAS-accredited laboratories for testing innovative products.
- Lack of test site to evaluate innovative technologies for certification.
- Lack of database for experts to fast-track the renewal and verification of validity of issued certificates.
- Limited number of technical experts to conduct assessments.

# SITUATIONAL ANALYSIS

## Agrément South Africa (ASA) External Environment Analysis

### OPPORTUNITIES

- Collaboration with stakeholders and sister organisations to conduct certification and post-certification evaluations and re-test for ASA.
- Increase revenue through procuring a test site, registration of licensees, and development of Quality Management Systems for new applicants.
- The review of the ASA Act to make ASA certification mandatory for all construction innovative products and systems.
- Be accredited with relevant ISO standards (ISO 17065) to provide more confidence and credibility in ASA certification.
- Develop a database of experts to address the declining experts and fast-track the certification of products and systems.
- Collaborate with higher education institutions and enhance knowledge sharing within the built environment sector.

### THREATS

- Declining technical expertise and skilled workforce.
- Inadequate engagements with specifiers and their support towards promoting the use of innovative construction technologies.
- Limited research and innovation capacity and capability.
- ASA-certified products and systems do not give innovators a competitive advantage due to voluntary certification.
- Lack of tracking and monitoring system of ASA-certified systems and products projects due to non-registration of these projects by certificate holders

# SITUATIONAL ANALYSIS

## Agrément South Africa (ASA) External Environment Analysis

### RESPONSES TO SWOT ANALYSIS

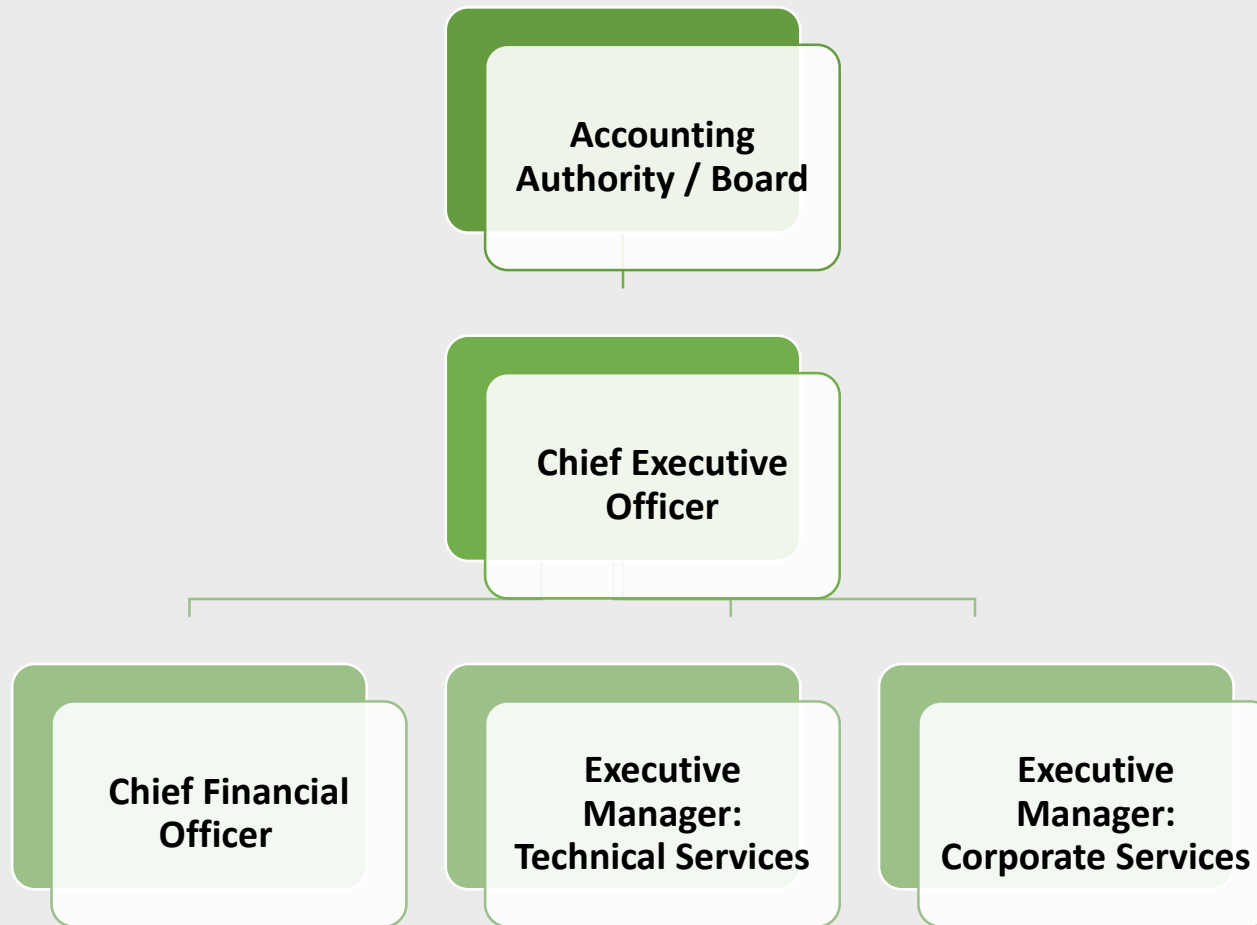
- Conduct workshops to improve ASA visibility, awareness, and knowledge sharing.
- Engage technical experts from higher institutions.
- ASA will be embarking on a process to digitise its processes to ensure that the operations are practical and efficient.
- A panel of experts will be put in place to assist with fast-tracking testing of products and systems.
- The pricing model is being reviewed to reflect the value given through the certification.



## ASA Board



# Agrement South Africa's Organisational Structure



# Agrément South Africa Organisational Structure

Position	Filled	Vacant	Total
<b>CEO's Office</b>			
Chief Executive Officer	1	0	1
Board Secretary	1	0	1
Group Assistant	1	0	1
QMS Coordinator	1	0	1
Manager: Monitoring and Evaluation	0	1	1
<b>Total</b>	<b>4</b>	<b>1</b>	<b>5</b>
<b>Finance</b>			
Financial Accountant	1	0	1
Chief Financial Officer	1	0	1
Procurement Officer	1	0	1
<b>Total</b>	<b>3</b>	<b>0</b>	<b>3</b>

## Agrément South Africa's Organisational Structure

Position	Filled	Vacant	Total
<b>Corporate Services</b>			
Executive Manager: Corporate Services	1	0	1
Stakeholder Relations Manager	0	1	1
Marketing and Communications Practitioner	1	0	1
Marketing Specialist	1	0	1
Human Resources Business Partner	1	0	1
ICT Helpdesk Technician	1	0	1
<b>Total</b>	<b>5</b>	<b>1</b>	<b>6</b>

# Agrément South Africa's Organisational Structure

Position	Filled	Vacant	Total
<b>Technical Services</b>			
Executive Manager: Technical Services	1	0	1
Administrative and Technical Officer	1	0	1
Technical Group Leader: Assessments	0	1	1
Senior Technical Assessor	3	0	3
Technical Assessors	6	0	6
Draughtsperson	1	0	1
Eco Labelling Manager	0	1	1
Technical Group Leader: Quality Assurance	1	0	1
QA Specialist	1	1	2
Quality Assurance Officers	2	0	2
Technical Group Leader Research & Development	0	1	1
Technical Research & Development Specialists	0	2	2
<b>Total</b>	<b>16</b>	<b>6</b>	<b>22</b>

## Agrément South Africa's Organisational Structure

Position	Filled	Vacant	Total
CEO's Office	4	1	5
Finance	3	0	3
Corporate Services	5	1	6
Technical Services	16	6	22
<b>Total</b>	<b>28</b>	<b>8</b>	<b>36</b>

## Agrément South Africa's Strategies Over the next 5 years

- In the next Medium-Term Strategic Framework period, ASA will continue to focus on the following areas:
- Issuing, amending, suspending, reinstating, withdrawing or renewing Agrément Certificates;
- Awareness programmes for non-standardised construction-related products or systems certified by ASA;
- Encouraging innovation in the technical, socioeconomic and regulatory aspects of a non-standardised construction-related product or system certified by ASA;
- Monitoring and evaluating the quality management systems of a certified construction-related product or system; and
- Support and promote introducing and using certified non-standardised construction-related products or systems in the local or international market.

# Agrément South Africa's Strategies Over the next 5 years

- **Eco-Labelling**
- ASA is the competent body to undertake Eco-Labelling for government buildings and products for a renewable period of five years.
- The Eco-Labelling system will address aspects such as indoor air quality, comfort, environmental, material and energy resource conservation.
- Eco Labelling will be incorporated into the DPWI's Standard Specifications for construction-related works.



## Agrément South Africa's Strategies Over the next 5 years

- **Green rating tool for public buildings.**
- ASA is mandated to rate public sector buildings using a green building rating tool that is still being formulated.
- This presents an opportunity to rate the current public buildings.
- New buildings shall be built according to set standards and thus contribute towards the green economy.
- **Strategic links** with members of the World Federation of Technical Assessments Organisation (WFTAO), CIDB, CBE, National Home Builders Registration Council (NHBRC), South African Bureau of Standards (SABS) and Government Departments.

# Alignment of DPWI strategic objectives to Agrément mandate and APP's

DPWI objectives	Agrément Mandate	Agrément Management APP	Programmes
1. Massify job creation and infrastructure	a) Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction related products or systems; b) Support and promote the process of integrated socio-economic development in the republic as it relates to the construction industry; c) Support and promote the introduction and use of certified non-standardised construction related products or systems in the local or international market;	Number of training sessions held training small-medium enterprises on procurement and certification requirements  Number of agreements signed with specifiers	Administration  Technical Services

# Agrément South Africa's Strategies Over the next 5 years

DPWI objectives	Agrément Mandate	Agrément Management APP	Programmes
2. Structural reforms and ease of doing business	<p>a) Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction related products or systems;</p> <p>b) Support and promote the process of integrated socio-economic development in the republic as it relates to the construction industry;</p> <p>c) Support and promote the introduction and use of certified non-standardised construction related products or systems in the local or international market;</p>	<p>Percentage of procurement spend on designated groups</p> <p>All Payments made within 30 days.</p>	Administration

# Agrément South Africa’s Strategies Over the next 5 years

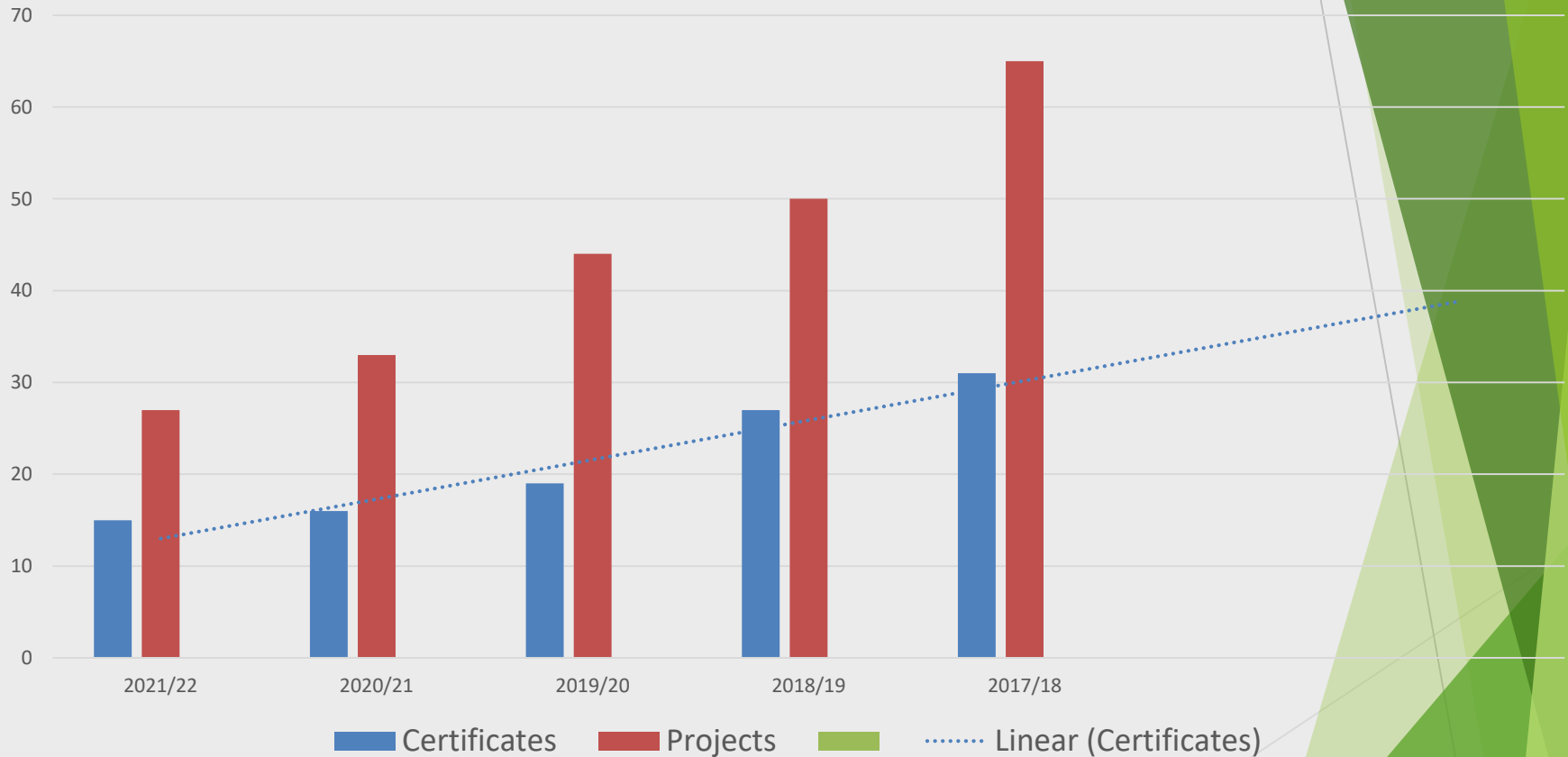
DPWI objectives	Agrément Mandate	Agrément Management APP	Programmes
<p>3. Better leveraging on public procurement</p>	<p>a) Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction-related products or systems;</p> <p>c) Support and promote the introduction and use of certified non-standardised construction-related products or systems in the local or international market;</p> <p>a) Support policymakers to minimise the risk associated with the use of non-standardised construction-related products or systems</p>	<p>Percentage of procurement spend on designated groups.</p> <p>All Payments made within 30 days.</p> <p>Number of agreements signed with specifiers to specify Agrément certified products and systems in their bid specifications.</p>	<p>Administration</p> <p>Technical Services</p>

# Agrément South Africa's Strategies Over the next 5 years

DPWI objectives	Agrément Mandate	Agrément Management APP	Programmes
4. Digitization & modernization	<p>a) Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction related products or systems.</p> <p>e) Be an impartial and internationally acknowledged South African Centre for the assessment and confirmation of fitness-for-purpose of non-standardised construction related products or systems.</p>	<p>Number of Labels issued</p> <p>Eco</p>	<p>Technical Services</p>
5. Basic services, electricity & water and sanitation	<p>a) Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction related products or systems.</p> <p>d) Support policy makers to minimise the risk associated with the use of a non-standardised construction related products or systems</p> <p>e) Be an impartial and internationally acknowledged South African Centre for the assessment and confirmation of fitness-for-purpose of non-standardised construction related products or systems.</p>	<p>Number of Agrément certificates issued</p>	<p>Technical Services</p>

# Certificates Issued versus Projects Assessed

Certificates issued versus projects assessed



# Programme 1: Technical Services

Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Implementation of Eco-label Scheme	Number of Eco Label Scheme specifications approved by the Board.	2 Eco Label Scheme specification approved by the Board.	3 specifications approved by TECO of 14 December 2021 (wall and ceiling panels, building insulation and adhesives, fillers, and sealants)	Eco Labels specifications approved by the Board.	-	-	-	-
	Number of Eco-labels Issued	New Indicator	New Indicator	New Indicator	Issue 10 Eco Labels	Issue 10 Eco Labels	Issue 15 Eco Labels	Issue 15 Eco Labels

Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Agrément certification projects are managed and finalised within timeframes.	Percentage of Agrément certification projects managed and finalised within agreed timeframes.	33.3% (4 out of 12) projects assessed and completed as per project timeframes.	59.3% Total number of projects managed and finalised within timeframes are 16, out of a possible 27 (i.e. 59.3%); 15 certificates issued and 01 certificate not approved	58.8% (10 out of 17) of projects were approved as per the project timelines	90% of projects assessed and completed as per the agreed project timeframes.	80% of projects assessed and completed as per the agreed project timeframes	80% of projects assessed and completed as per the agreed project timeframes	80% of projects assessed and completed as per the agreed project timeframes



Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
<b>Agrément certificates issued</b>	Number of Agrément certificates Issued	17 Agrément certificates issued.	15 certificates issued	50% (10 of 20) of certificates issued	24 Agrément certificates issued	14 Agrément certificates issued	15 Agrément certificates issued	15 Agrément certificates issued
<b>Analysis of usage of Agrément certified products and systems</b>	Number of market and usage analysis reports	New Indicator	New Indicator	4 Agrément certified products and systems, market and usage reports issued	4 Agrément certified products and systems, market and usage reports issued	4 Agrément certified products and systems, market and usage reports issued	6 Agrément certified products and systems, market and usage reports issued	6 Agrément certified products and systems, market and usage reports issued

Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
		2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
<b>Promotion of the introduction and use of non-standardised construction-related products or systems</b>	Number of agreements entered with specifiers to promote nonstandardised construction related products and System	New Indicator	New Indicator	2 signed agreements Signed MoU between ASA and National Home Builders Registration Council (NHBC) Signed letter of agreement/ intent to sign from Infrastructure South Africa (ISA)	3 Agreements signed with specifiers*	2 Agreements signed with specifiers*	2 Agreements signed with specifiers*	2 Agreements signed with specifiers*

Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
		2020/2021	2021/2022	2022/2023		2023/2024	2024/2025	2025/2026
<b>Customer Satisfaction Survey</b>	Number of positive customer satisfaction survey	New Indicator	New Indicator			Four (4) positive customer satisfaction surveys completed	Six (6) positive customer satisfaction surveys completed	Eight (8) positive customer satisfaction survey completed

**OUTCOME: QUALITY ASSURANCE (DPWI OUTCOME- OPTIMISED JOB OPPORTUNITIES, DIGNIFIED CLIENT EXPERIENCE AND PRODUCTIVE INVESTMENT INFRASTRUCTURE)**

Quality Assurance on all certificates in use.	Percentage of quality and compliance inspections conducted for valid issued certificates	92% achieved. 196 out of 213 inspections were conducted.	63% (178 out of 284) quality and compliance inspections conducted for certificates in use).	85% (187 out of 219) of quality and compliance inspections were performed for certificates in use	Quality and compliance audits were conducted for 92% of valid certificates in use	Quality and compliance inspections conducted for 95% of valid certificates in use.	Quality and compliance inspections were conducted for 97% of valid certificates in use.	Quality and compliance inspections were conducted for 97% of valid certificates in use
	Percentage of validity reviews (renewals) conducted for valid issued certificates	New Indicator	New Indicator	New Indicator	New Indicator	Validity reviews conducted for 50% of valid certificates in use.	Validity reviews conducted for 70% of valid certificates in use.	Validity reviews conducted for 90% of valid certificates in use

Output Indicator	Annual Target 2024/2025	Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: Optimised use of non-Standardised construction related products and systems.</b>					
Number of Eco Label Issued	10 Eco Labels issued	2 Eco Labels Issued.	3 Eco Labels Issued	2 Eco Labels issued	3 Eco Labels issued
Percentage of Agrément certification projects managed and finalised within agreed timeframes	80% of projects assessed and completed as per the project timeframes.	80% of projects approved as per the project timeframes.	80% of projects approved as per the project timeframes.	80% of projects approved as per the project timeframes.	80% of projects approved as per the project timeframes.
Number of Agrément certificates issued	14 Agrément certificates issued	3 Agrément certificates issued	4 Agrément certificates issued	3 Agrément certificates issued	4 Agrément certificates issued
Number of market and usage analysis reports	4 Agrément certified products and systems market and usage reports issued.	1 Agrément certified products and systems market and usage reports issued.	2 Agrément certified products and systems market and usage reports issued.	3 Agrément certified products and systems market and usage reports issued.	4 Agrément certified products and systems market and usage reports issued.
Number of agreements entered with specifiers, with the intention to promote non-standardised construction related products or systems	Agreements signed with specifiers.	-	-	1 signed agreements	1 signed agreements.

Output Indicator	Annual Target 2024/2025	Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: Quality Assurance.</b>					
Number of positive customer satisfaction survey	4 completed and positive survey	1 completed and positive survey	1 completed and positive survey	1 completed and positive survey	1 completed and positive survey

Output Indicator	Annual Target 2024/2025	Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: Quality Assurance.</b>					
Percentage of certificates audited for compliance and quality management.	Quality and compliance audits conducted for 70% of certificates in use.	Quality and compliance audits conducted for 5% of certificates in use.	Quality and compliance audits conducted for 35% of certificates in use.	Quality and compliance audits conducted for 50% of certificates in use.	Quality and compliance audits conducted for 70% of certificates in use.
Percentage of validity reviews (renewals) conducted for valid issued certificates.	Validity reviews were conducted for 50% of valid certificates in use	Validity reviews conducted for 5% of valid certificates	Validity reviews were conducted for 20% of valid certificates in use.	Validity reviews were conducted for 35% of valid certificates in use	Validity reviews were conducted for 50% of valid certificates in use

# Programme 2: Administration

## Sub- Programme: Finance

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
A resilient, ethical, and capable entity.	To ensure effective implementation of corporate governance across the board.	Clean external audit report without compliance issues.	Unqualified external audit report, with Emphasis of matter	Unqualified external audit report with compliance matters 88.9% (8 out of 9) external audit recommendations have been implemented	Unqualified external audit report with compliance matters 2022 Audit: Actual achievement is 83% (10 out of 12) against the planned 100% during the period ended 31 March 2023.	Clean external audit report	Clean external audit report	Clean external audit report	Clean external audit report

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
A resilient, ethical, and capable entity.	To ensure effective implementation of corporate governance across the board.	Percentage of external audit findings resolved	New Indicator	88.9% (8 out of 9) external audit recommendations have been implemented.	83% (10 out of 12) against the planned 100% during the period ended 31 March 2023.	New Indicator	90%	90%	90%



Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
A resilient, ethical, and capable entity.	To ensure effective implementation of corporate governance across the board.	Percentage of internal audit findings resolved	New Indicator	New Indicator	New Indicator	New Indicator	80%	80%	80%

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
A resilient, ethical and capable entity	To improve financial sustainability	Percentage increase in own revenue generated	New indicator	New Indicator	New Indicator	New Indicator	Increase own revenue by 1%	Increase own revenue by 1%	Increase own revenue by 1%
	To monitor compliance with the prescript of supply chain to ensure approved invoices are paid within 30 days .	Approved expenditure re spent against approved budget	98,0% (34,0m of annual budget of 34,7 m of revised approved expenditure spent	Not achieved. 61.20% (R29.6 m annual budget of 48,4m)of approved expenditure spent of the approved budget	69% (R4.1 million of the adjusted budget of R59.7 million) of the annual approved expenditure budget	96% of the expenditure spent against the approved budget	97% of the expenditure spent against the approved budget	98% of the expenditure spent decrease in the against the approved budget	99% of the expenditure spent against the approved budget

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023		2023/2024	2024/2025	2025/2026
		Percentage of payments made within 30 days	A cumulative number of 7 invoices in Q1 to Q4 amounting to R59 837 paid after 30 days	Not achieved. A total expenditure of R45,519.24 was paid outside 30 days.	One (1) invoice amounting to R78,494 was paid after 30 days.	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days of receipt from service providers	100% of valid invoices paid within 30 days of receipt from service providers	100% of valid invoices paid within 30 days of receipt from service providers

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
	To monitor compliance with the prescript of supply chain to ensure approved invoices are paid within 30 days.	Percentage of expenditure spent on B-BBEE Compliant suppliers	New indicator	New Indicator	New Indicator	New Indicator	70%	75%	80%

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
To monitor compliance with the prescript of supply chain to ensure zero irregular expenditure in implementing the budget.	To monitor compliance with the prescript of supply chain to ensure zero irregular expenditure in implementing the budget.	Percentage change of irregular expenditure	98% of approved expenditure spent of the approved budget with R113,120 irregular expenditure incurred.	Not achieved. 61.20% (R29.6 m of annual budget of R48.4 m) of approved expenditure spent of the approved budget with an amount of R274,242 incurred on irregular expenditure.	5.4% (22 transactions) of irregular expenditure was identified during the period under review (R3.23 million of R59.7 million)	60% decrease in the irregular expenditure balance	-	-	-
	Percentage of approved budget spent on irregular expenditure	New indicator	New indicator	New indicator	New indicator	New indicator	0%	0%	0%

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
To monitor compliance with the prescript of the supply chain to ensure zero percent of fruitless and wasteful incurred of the approved budget.	To monitor compliance with the prescript of supply chain to ensure zero irregular expenditure in implementing the budget.	Percentage change of fruitless and wasteful expenditure	98% of approved expenditure spent of the approved budget with fruitless and wasteful expenditure amounting to R7 102.75.	Achieved. 61.20% (R29.6 m of annual budget of R48.4 m) of approved expenditure spent of the approved budget with zero fruitless and wasteful expenditure	No fruitless and wasteful expenditure was incurred during the period under review	60% decrease in the fruitless and wasteful expenditure balance	-	-	-
	Percentage of approved budget spent on fruitless and wasteful expenditure	New indicator	New indicator	New indicator	New indicator	New indicator	0%	0%	0%

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
Industrialization/Growing the productive economy	Developed small, medium and micro enterprises (SMME)	Number of trainings provided to SMME	New Indicator	New Indicator	Four training sessions were held (14 September 2022 at NHBRC Eric Molobi centre, Limpopo on 20 and 21 October 2022; Free state on 25 November 2022) to train SMMEs on procurement and certification requirements	4 SMME trainings held on procurement and certifications requirements	4 SMME trainings held on procurement and certifications requirements	4 SMME trainings held on procurement and certifications requirements	4 SMME trainings held on procurement and certifications requirements

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027
	Percentage of procurement spend on designated Groups	New indicator	New Indicator	41% (R6.6 million) of R15.9 million) of ASA procurement spent directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups



Output Indicator	Annual Target 2024/2025	Cumulative Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: A resilient, ethical, and capable entity.</b>					
Audit opinion issued	Clean external audit report without compliance issues	N/A, as the audit is finalised in August 2024.	Clean external audit report without compliance issues	N/A	N/A
Percentage of external audit findings resolved	90%	-	30%	60%	90%
Percentage of internal audit findings resolved	80%	10%	30%	60%	80%
Percentage increase in own revenue generated	Increase own revenue by 1%				Increase own revenue by 1%
Percentage expenditure spent against approved budget.	97% of the expenditure spent against the approved budget	Minimum of 15% of the expenditure is spent against the approved budget	Minimum of 30% of the expenditure is spent against the approved budget	Minimum of 65% of the expenditure is spent against the approved budget	Minimum of 97% of the expenditure is spent against the approved budget
Percentage of payments made within 30 days.	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days

Output Indicator	Annual Target 2024/2025	Cumulative Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: A resilient, ethical, and capable entity.</b>					
Percentage of expenditure spent on B-BBE compliant suppliers	70%	20%	40%	60%	70%
Percentage of approved budget spent on irregular expenditure	0%	0%	0%	0%	0%
Percentage of approved budget spent on fruitless and wasteful expenditure	0%	0%	0%	0%	0%
Number of trainings provided to SMMEs	4 SMME trainings held on procurement and certifications requirements	1 SMME trainings held on procurement and certifications requirements	2 SMME trainings held on procurement and certifications requirements	3 SMME trainings held on procurement and certifications requirements	4 SMME trainings held on procurement and certifications requirements
Percentage of procurement spend on designated Groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups

# Programme 2: Administration

## Sub- Programme 2: Corporate Services

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance 2023/2024	MTEF Targets		
			2020/2021	2021/2022	2022/2023		2024/2025	2025/2026	2026/2027
A resilient, ethical, and capable entity.	Empowered human capital.	Percentage of training implemented in line with the approved training plans and budget	Q1: 100% Q2: 100% Q3: 80% Q4: 50% (5 of the 10 training plans were processed) implementation of planned training in line with the approved training plan, and budget	100% implementation of planned training in line with the Annual Training Plan approved by EXCO.	62% implementation of planned training per the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.	80% implementation of planned training in line with the approved training plans and budget	80% implementation of planned training in line with the approved training plans and budget	80% implementation of planned training in line with the approved training plans and budget

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance 2023/2024	MTEF Targets		
			2020/2021	2021/2022	2022/2023		2024/2025	2025/2026	2026/2027
A resilient, ethical and capable state	Empowered human capital.	Percentage of vacancy rate	New Indicator	New Indicator	New Indicator	10% vacancy rate	10% vacancy rate	10% vacancy rate	10% vacancy rate
		Submission of the Annual Training Report and Workplace Skills Plan	New Indicator	New Indicator	New Indicator	New Indicator	Submission of 1 Report	Submission of 1 Report	Submission of 1 Report

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance 2023/2024	MTEF Targets		
			2020/2021	2021/2022	2022/2023		2024/2025	2025/2026	2026/2027
	Host Stakeholder Engagement forum	Number of Stakeholder Engagement forums held	New Indicator	New Indicator	New Indicator	New Indicator	Hosting of 1 Stakeholder Engagement Forum	Hosting of 1 Stakeholder Engagement Forum	Hosting of 1 Stakeholder Engagement Forum
	Enhance ASA visibility	Number of advertisements placed on digital platforms (social media and website)	New Indicator	New Indicator	New Indicator	New Indicator	8 advertisements placed on digital platforms (social media and website)	8 advertisements placed on digital platforms (social media and website)	8 advertisements placed on digital platforms (social media and website)
		Number of exhibitions attended	New Indicator	New Indicator	New Indicator	New Indicator	Attend 4 exhibitions	Attend 4 exhibitions	Attend 4 exhibitions

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance 2023/2024	MTEF Targets		
			2020/2021	2021/2022	2022/2023		2024/2025	2025/2026	2026/2027
A resilient, ethical, and capable entity.	ICT Governance Framework in place and implemented	Percentage of the ICT Governance Framework deliverables implemented	New Indicator	New Indicator	New Indicator	New Indicator	ICT Governance framework in place	70% Implementation of the ICT Governance	80% Implementation of the ICT Governance

Output Indicator	Annual Target 2024/2025	Cumulative Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: A resilient, ethical, and capable entity.</b>					
Percentage of training implemented in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget	No Target	25% implementation of planned training in line with the approved training plans and budget.	50% implementation of planned training in line with the approved training plans and budget.	80% implementation of planned training in line with the approved training plans and budget.
Percentage of vacancy rate	10% vacancy rate	10% vacancy rate	10% vacancy rate	10% vacancy rate	10% vacancy rate
Submission of the Annual Training Report and Workplace Skills Plan	Submission of Annual Training Report and Workplace Skills Plan Report to the Department of Employment and Labour	Submission of 1 Report	No Target	No Target	No Target
Submission of the Employment Equity Report	Submission of Employment Equity Report to the Department of Employment and Labour	No Target	No Target	No Target	Submission of 1 Report

Output Indicator	Annual Target 2024/2025	Cumulative Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Outcome: A resilient, ethical, and capable entity.</b>					
Host Stakeholder Engagement forum	1 Forum	No Target	No Target	No Target	1 Forum
Enhance the visibility of the ASA brand	8 advertisements placed on digital platforms (social media and website)	2 advertisements placed on digital platforms (social media and website)	2 advertisements placed on digital platforms (social media and website)	2 advertisements placed on digital platforms (social media and website)	2 advertisements placed on digital platforms (social media and website)
	Attend 4 exhibitions	1 Exhibition attended	1 Exhibition attended	1 Exhibition attended	1 Exhibition attended
ASA ICT Governance Framework in place and implemented.	ICT Governance Framework in place	Draft of ICT Governance Framework document in place	Approval of the ICT Governance Framework by EXCO	Approved ICT Governance Framework in place	ICT Governance Framework in place



# Budget allocation as per the ENE

	Audited Outcome				Approved Budget	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2020/21	2021/22	2022/23	2022/23		2020/21-2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27	
<b>R thousand</b>												
Admin	34 135	32 366	29 827	21 501		-14,3%	82,3%	19 376	20 480	22 112	0,9%	55,1%
Technical services	–	–	11 387	16 345		–	17,7%	16 520	17 284	17 926	3,1%	44,9%
<b>Total expenses</b>	<b>34 135</b>	<b>32 366</b>	<b>41 214</b>	<b>37 846</b>		<b>3,5%</b>	<b>100,0%</b>	<b>35 896</b>	<b>37 764</b>	<b>40 038</b>	<b>1,9%</b>	<b>100,0%</b>

# Budget allocation as per the ENE

Revenue	Audited Outcome			Approved Budget	Average growth rate (%)	Expenditure/ total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ total: Average (%)
	2020/21	2021/22	2022/23				2022/23	2020/21-2023/24	2024/25		
R thousand											
Sale of goods and services other than capital assets	1 294	3 561	1 587	2 402	22,9%	6,0%	2 578	3 125	3 811	16,6%	7,8%
<i>Other non-tax revenue</i>	1 234	1 323	2 050	1 362	3,3%	4,1%	1 416	1 473	1 532	4,0%	3,8%
Transfers received	29 027	33 078	34 411	34 082	5,5%	89,9%	31 902	33 166	34 695	0,6%	88,4%
<b>Total revenue</b>	<b>31 555</b>	<b>37 962</b>	<b>38 048</b>	<b>37 846</b>	<b>6,2%</b>	<b>100,0%</b>	<b>35 896</b>	<b>37 764</b>	<b>40 038</b>	<b>1,9%</b>	<b>100,0%</b>

# Budget allocation as per the ENE

Expenditure	Audited Outcome			Approved Budget	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2020/21	2021/22	2022/23				2022/23	2020/21-2023/24	2024/25		
R thousand	2020/21	2021/22	2022/23	2022/23	2020/21-2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27		
Compensation of employees	22 063	23 282	20 931	23 630	2,3%	62,4%	24 607	25 857	27 650	5,4%	67,1%
Goods and services	9 361	7 694	18 025	14 216	14,9%	33,1%	11 289	11 907	12 388	-4,5%	32,9%
Depreciation	2 711	1 386	2 220	–	-100,0%	4,4%	–	–	–	–	–
<b>Total expenses</b>	<b>34 135</b>	<b>32 366</b>	<b>41 214</b>	<b>37 846</b>	<b>3,5%</b>	<b>100,0%</b>	<b>35 896</b>	<b>37 764</b>	<b>40 038</b>	<b>1,9%</b>	<b>100,0%</b>

## Risk management

The main objective is

- to identify and manage the strategic, operational, financial, performance and financial reporting and compliance risks to which ASA is exposed,
- to promote effectiveness and efficiency in the ASA operations,
- to promote reliable performance and financial reporting, and
- to promote compliance with laws and regulations

Executive management is aware that such a framework can neither provide absolute assurance that its objectives will be achieved, nor can it entirely prevent material errors, losses, fraud and violating laws and regulations.

## Implementation of risk management framework

### *Executive management*

This function owns and manages risk and is responsible for maintaining adequate controls and executing risk and control procedures daily.

It involves identification and assessing risks being undertaken and establishing appropriate controls to mitigate the risks.

There are adequate management controls in place to monitor ongoing compliance and to highlight control breakdown.

## Implementation of risk management framework

### *Audit and Risk Committee*

Oversight Committee of the board, support executive management and help ensure that the risk and control procedures operate as intended.

### *Internal Audit*

Report to the Audit and Risk Committee and provide independent objective assurance on the effectiveness of governance, risk management and internal controls, including the way management manages and controls risks.

Systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls, and governance processes.

## Implementation of risk management framework

- In implementing our mandate, we are faced with several risks that may interfere with our business objectives.
- Some of these risks relate to our operational processes, while others relate to our business environment.
- It is essential to understand the nature of these risks and their impact on our business, financial conditions, economic conditions, and results of operations.
- Some relevant risks are described below, which may not be in the order of likelihood or materiality.
- These risks are not the only ones we face. Some risks may not yet be known to us, and specific risks that we do not believe could become material.

# Risk management plan

OUTCOMES	KEY RISK	RISK MITIGATIONS
<b>Programme 1: Technical Services.</b>		
Optimised use of non-standardised construction related products and systems.	Inaccurate and unachievable predictions in revenue generation as per eco-label scheme business model.	Market analysis to be done, to inform an updated business model.
	Eco ASA not being recognised as a national scheme.	Implement the approved Marketing Strategy and plan, to market the scheme.
	Insufficient market penetration model and structure to attract new business in relation to certification of non-standardized product and system.	Implement the approved Marketing Strategy and plan, to market all ASA certification schemes.
	No regulation in place to support the implementation of the ASA ACT and ASA certification policies.	Gazetting of ASA rules, to support implementation of the ASA Act.
	ASA not being ISO 9001 certified.	ASA to maintain the ISO 9001 system and certification.
	ASA Certification and Quality Assurance Processes are not accredited, Assessors are not recognised as professionally competent, and ASA cannot fulfil its Mandate.	ASA to obtain SANAS accreditation as an ISO 9001 certification body.



# Risk management plan

OUTCOMES	KEY RISK	RISK MITIGATIONS
<b>Programme 2: Administration</b>		
<b>Sub program 1: Finance Department.</b>		
A resilient, ethical, and capable entity.	Adverse audit outcomes	<p>Implementation of internal controls for financial and human resources services.</p> <p>Providing training/workshops for staff</p> <p>Regularly checking the National Treasury website for updates</p> <p>Regular consultations with the internal auditors and external auditors</p> <p>Independent reviews on tenders by the internal auditors</p>
	Reduced funding as a result of budget cuts in government funding	<p>ASA has reviewed its operations and innovated its overall operational processes to generate more revenue.</p> <p>ASA is also collaborating with other entities within the DPWI to share operational costs and maximise synergies.</p>

# Risk management plan

OUTCOMES	KEY RISK	RISK MITIGATIONS
<b>Programme 2: Administration</b>		
<b>Sub program 2: Corporate Services Department</b>		
A resilient, ethical, and capable entity.	Inability to fully execute the mandate and achieve organisational objectives.	The CFO will explore and recommend financial measures to fill all positions in the new organisational structure to mitigate against unhealthy working conditions, staff burnout leading to poor work performance.
	Irrelevant applications resulting in delays in filling critical positions.	Carry out the recruitment of Critical Posts as per the recommendations of the organisational diagnostic.
	Lack of appropriate skill and expertise.	Implementation of the annual staff training plans.

# Risk management plan

## Sub-Programme: 3: Office of the CEO

A resilient, ethical, and capable entity.	Inability to meet performance targets and compliance with existing standard operating procedures.	Fast tract integration of performance monitoring and evaluation with Quality Management Systems
	Market penetration, Organisational visibility and integrity.	Foster partnerships with other public entities.
	Optimal performance of organisational processes	Monitor process performance on a monthly, quarterly and annual basis
	Capacity constraints that leads to interruptions in business process efficiencies	Capacitate the organisation

## Conclusion

- Agrément South Africa continues to provide innovative product certifications for SMMEs and contributes immensely towards economic growth and job creation in South Africa.
- Through Eco-labelling and Green Building rating tools, Agrément South Africa fosters compliance with the green economy.
- Contributes towards fast-tracking economic development by allowing the safe introduction of appropriate and suitable products.
- Facilitates partnerships with other public entities and helps reduce backlogs in different areas through innovative building technology systems (IBTs), i.e. Housing Backlogs
- Facilitates the global acceptance of South African-produced products.
- Provides independent and authoritative technical assurance of fitness for purpose.

Thank you



END 😊😊😊

Questions?

Comments?

Suggestions?

