



# ANNUAL PERFORMANCE PLAN FOR

2018/19 – 2020/21

22 FEBRUARY 2018

## 1. LIST OF ABBREVIATIONS

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<b>AFRIMETS</b>	<b>Intra-Africa Metrology System</b>
<b>COTII</b>	<b>Council of Trade and Industry Institutions</b>
<b>the dti</b>	<b>Department of Trade and Industry</b>
<b>EU</b>	<b>European Union</b>
<b>KPA</b>	<b>Key Performance Area</b>
<b>KPI</b>	<b>Key Performance Indicator</b>
<b>LOA</b>	<b>Letter of Authority</b>
<b>NEDLAC</b>	<b>National Economic Development and Labour Council</b>
<b>NRCS</b>	<b>National Regulator for Compulsory Specifications</b>
<b>OECD</b>	<b>Organisation for Economic Cooperation and Development</b>
<b>OIML</b>	<b>International Organisation of Legal Metrology</b>
<b>PFMA</b>	<b>Public Finance Management Act</b>
<b>SABS</b>	<b>South African Bureau of Standards</b>
<b>SADC</b>	<b>Southern African Development Community</b>
<b>SANAS</b>	<b>South African National Accreditation System</b>
<b>SARS</b>	<b>South African Revenue Services</b>
<b>SLA</b>	<b>Service Level Agreement</b>
<b>SQAM</b>	<b>Standards, Quality, Accreditation and Metrology</b>
<b>SADCMEL</b>	<b>SADC Cooperation in Legal Metrology</b>
<b>TR</b>	<b>Technical Regulation</b>
<b>VC</b>	<b>Compulsory Specification</b>
<b>WTO TBT</b>	<b>World Trade Organisation Agreement on Technical Barriers to Trade</b>

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### 3. Foreword by the Minister

The National Regulator for Compulsory Specifications (NRCS) has developed its annual performance plan (2018/19–2020/21) aligned to various government, strategic and policy frameworks. These frameworks include, amongst others, the National Development Plan (NDP), the Industrial Policy Action Plan (IPAP) and the Medium Term Strategic Framework for 2014/15-2019/20.

Industrial policy remains central to the work of the Department of Trade and Industry (the dti) and its agencies. Industrial policy focus areas have been documented in the Industrial Policy Action Plan (IPAP), and the NRCS and other technical infrastructure institutions support government priorities and the economy by developing, maintaining and improving standards, and compulsory specifications (VCs) / technical regulations (TRs). As part of IPAP implementation, the NRCS will dedicate resources towards the implementation of the Legal Metrology Act, Act No. 9 of 2014 (LMA), which is increasing the scope of metrology from trade measurements to incorporate health, safety and environmental measurements. The NRCS will in the medium term expands and strengthens the scope of legal metrology in line with the LM Act, to protect consumers against inaccurate measures, support local industrial competitiveness and enhance protection of the environment, public health and safety, as well as fair trade.

This Annual Performance Plan is guided by the mandate set for the NRCS by the founding legislation and the amended Legal Metrology Act. This Annual Performance Plan takes in to account the current dynamic environment, the expected establishment of the Border Management Agency and challenges as well as the economic and development needs of the South African Society. In fulfilling this task, the NRCS, will regulate safety-critical products and undertake surveillance activities to ensure that products being traded in the South African economy comply with the relevant compulsory specifications / technical regulations. The NRCS will also vigorously implements sanctions for non-compliance.

The following activities will be undertaken to assist the NRCS in its approach to be more efficient and effective:

- Build capacity to fully implement the amended Legal Metrology Act

- Manufactured and imported goods are inspected at source (point of manufacture in South Africa or South African point of entry), where possible;
- A risk-based approach to NRCS work is being explored;
- Memoranda of Understanding (MoUs) and technical agreements with regional and other international governmental and treaty organisations are concluded where necessary;
- Regular awareness interventions are embarked upon;
- Sanctions are instituted where non-compliances are found.

The NRCS's Strategic Plan and Annual Performance plan intends to achieve the following:

- Enhance the quality of life of all South African citizens by protecting their health and safety, as well as protecting the environment and maintaining fair trade
- Encourage local manufacturing of compliant products by "locking-out" non-compliant products, thereby contributing to the development of the South African economy.

It is the view of the NRCS that national, continental and international harmonisation of standards and regulations should be strengthened to widen the regulatory area and promote implementation of best practice. The harmonisation of regulatory practices is of particular value where a specific regulatory issue has significant cross-border effects and cannot be tackled by a national regulator alone.

The NRCS will review the organisational structure and reconfigured the way it conducts its business, by *inter alia*, moving towards deploying more of its human resources at the ports of entry or local manufacturer, so that it can intercept non-compliant products before they enter the local markets, and forming partnerships with organisations such as the South African Revenue Services (SARS), South African Police Service (SAPS) and the National Consumer Commission (NCC), among others, to ensure more effective regulation.

The NRCS is also involved in the Industrial Policy Action Plan (IPAP) in the following areas:

- Agro-processing focusing on canned meat, live aquaculture oysters, canned fish products and live rock lobster.

- Automotive products and components including safety helmets for motorcyclists and M and N category vehicles to make Anti-lock Braking System (ABS) compulsory.
- Plastics, Pharmaceuticals and Chemicals including disinfectants, detergent and plumbing components.
- Energy and water efficient household appliances.
- Transition from Trade Metrology to Legal Metrology to cover a full spectrum of legal metrology including health, safety and environmental measurements.
- Consumer protection initiatives focusing on shooting ranges and safety of toys.
- Strengthening the South African technical infrastructure to support industrial development.
- Strengthening the enforcement of existing and new mandatory standards of IPAP sectors.

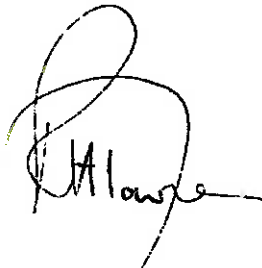
South Africa is committed to working with continental and international partners on bilateral and multilateral basis to strengthen existing agreements and programmes in order to deepen industrial development. To this end, the NRCS has entered in to agreements with a number of countries including Mauritius, Mozambique, Namibia and Thailand, in the areas of Foods and/or Legal Metrology.

The NRCS' national, continental and international positioning is also strengthened through its participation in the following forums:

- SADC Cooperation in Legal Metrology (SADCMEL).
- SADC Technical Barriers to Trade Steering Committee (SADCTBTSC).
- SADC Automotive Forum.
- Intra-Africa Metrology System (AFRIMETS).
- International Organization of Legal Metrology (OIML).
- Codex Alimentarius Commission (international food standards organisation).

- United Nations Economic Commission for Europe (UNECE) Working Party for the Harmonization of Vehicle Regulations (WP29).
- UNECE Working Party on Regulatory Cooperation and Standardization Policies (WP6).

Participation in these forums is based on the needs of the country, the dti, industry and the consumer, and encompasses active engagement in the annual meetings of these forums as South African representative, in the work of the technical committees by prioritising input into the development of international ideal technical regulations and hosting technical committee meetings, and participating in treaty organisations at a high level.



**Dr Rob Davies, MP**

**Minister of Trade and Industry**

**Date:**

## 4. Overview by the CEO

The Department of Trade and Industry (the dti), to which the NRCS reports, has developed the Industrial Policy Action Plan (IPAP) as an instrument of industrial policy and economic development for South Africa. The IPAP guides the strategic imperatives and priorities of the NRCS which includes the development of new compulsory specifications or technical regulations, regulatory activities, effective and efficient enforcement strategies, improving technical infrastructure to allow for greater integration of technology and an improved service to stakeholders.

The NRCS was established in terms of the NRCS Act 5 of 2008 (The Act), as amended and the Legal Metrology Act, 2014 (Act No. 9 of 2014) (LMA), which together define the mandate of the NRCS. It is imperative that the strategic approach and operations of the organisation are responsive to and aligned with the above legislative instruments. In response thereto, the organisation has themed its strategy in order to ***“preclude presence of non-complaint goods to prevent the death of or harm, in any form, to consumers whilst promoting and maintaining fair trade and protecting our environment.”*** In order to drive the organisational focus toward this key achievement, and thereby ensuring consumer and environmental safety is sustained, the organisation will drive, in the long-term, toward the realisation of specific priorities. These priorities are driven by specific outcome-oriented goals and objectives which will be measured through-out the performance period of this strategic plan.

Key to the success of this plan is its full implementation, and in this regard every employee must commit to understanding as well as being accountable for their areas of responsibility in order to realise desired outcomes.

Changes in trade trends have led to an increase in imports and consequently an increase in commodities coming through South African ports of entry. This calls for enhancements in the regulatory framework, market intelligence and more sophisticated techniques to analyse risks related to the regulated product, company and country of origin. NRCS has responded to this particular challenge and introduced the Ports of Entry Enforcement Strategy and the Risk-Based Approach to NRCS work. These initiatives have assisted the organisation to optimally utilise its resources by deploying inspectors at ports of entry and at the point of manufacture (source) in order to intercept non-compliant products before they enter trade in the South



African market. The entity is working in partnership with SARS, BCOCC and Border Police in the surveillance and enforcement activities. NRCS will continue to invest in technology, accelerate the utilisation of the new Customer Relations Management System (CRM) and other ICT platforms to enhance accessibility of services to stakeholders including online applications for letters of authority (LOA). These initiatives will enable NRCS employees to conduct business in and outside the office efficiently, using electronic and digital technology.

The NRCS is encouraged by the spirited Government support and count on this excellent relationship to achieve its goals. The NRCS annual performance plan was thus crafted to ensure optimum utilisation of resources to assist **the dti** to reach the medium term strategic goals and objectives. The entity also recognises that any strategy is only as good as the people that implement it. To this end, the organisation will focus on engaging with staff around the strategy and implementing a performance management system to ensure effective achievement of targets and outputs set in the plan. In addition, the organisation will be investing in its human resources through the implementation of continuous development programmes that are tailor made and in accordance with required competencies for various positions.

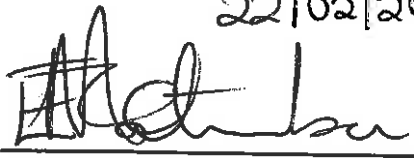
## 5. Official sign-off

**It is hereby certified that this Annual Performance Plan:**

Was developed by the management of the National Regulator for Compulsory Specifications and it takes into account all the relevant policy and legislative mandates for which the NRCS is responsible. It further accurately reflects the strategic outcome oriented goals and objectives with which the NRCS will work towards achieving during the medium-term period 2018/19 – 2020/21

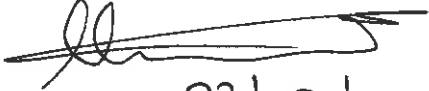
**E Matemba**

**Manager Strategy and Risk**

22/02/2018  
Signature: 

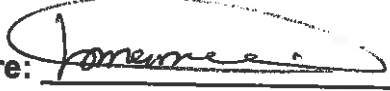
**R. Abdool**

**Chief Financial Officer**

  
Signature: 22/02/2018

**E. Mamadise**

**Acting: Chief Executive Officer**

  
Signature: 22/02/2018

## 6. The NRCS situational analysis

The NRCS' role as a regulator is to ensure that businesses produce, import or sell products or services that are not harmful to consumers and the environment or that do not fall short of the declared measure.

The NRCS is also tasked to provide a regulatory function for the building industry to ensure building safety and health, structural stability, and the uniform interpretation of the NBR&BS Act and its Regulations.

The strategic context within which the NRCS operates is characterised by two significant trends. The first is the increasing sophistication and activism of consumers. The second is the increased need for stronger relationships and cooperation with industry, other regulators, law enforcement bodies, regional and international bodies and other stakeholders.

### a. ECONOMIC

The external strategic environment within which South Africa trades and the NRCS operates has been characterised by rapid and fundamental economic change. The recent global economic downturn has seen an increase in global competition with companies having to supply products and services to a limited consumer marketplace, thereby placing extreme pressure on their margins and profitability, which has the potential to result in the production of sub-standard and non-compliant products.

### b. TECHNOLOGY

The NRCS external environment is characterised by rapid technological growth. Such a rapidly changing environment requires the NRCS to be pro-active and adopt technology by introducing compulsory specifications and technical regulations that are on par with technological changes.

Internally, the NRCS is working towards developing a dynamic digital environment by investing in an updated IT platform. The updated IT platform will have a significant transformational impact on the NRCS and its traditional approach to business. In addition, interaction between the NRCS and its stakeholders will improve with the introduction of online communication.

Technology will provide an opportunity to enable remote surveillance in order to ensure that non-compliant products are locked-out of the local marketplace, prior to entering trade. It will also provide an opportunity for intelligence gathering, data mining and effective risk profiling to ensure that regulatory enforcement activity is well focused and resources are utilised optimally.

### **c. INTERNAL STRATEGIC DRIVERS**

Internally, the NRCS is in the process of reviewing its organisational design in order to implement a structure that promotes the accomplishment of the NRCS' mandate economically, effectively and efficiently. The Risk-Based Approach and the Port of Entry Enforcement Strategy will fundamentally impact the organisational design of the NRCS. It is envisaged that the Risk-Based Approach and Enforcement Strategy will enable NRCS to inspect commodities at source and the focus of inspectors will become more proactive in addressing areas of non-compliance through a range of regulatory interventions as opposed to routine inspections. The Risk-Based Approach will enable inspectors to gather market intelligence and create awareness through briefings with stakeholder groupings such as trade unions, chambers of commerce and industry groupings whilst focusing enforcement activities where high risks exist. A new and integrated surveillance approach, informed by the intelligent application of information technology, is planned for adoption to enhance regulatory activities.

NRCS' mandate will be achieved through:

- Committed leadership
- Building a core of committed, skilled and experienced staff
- Communicating openly, transparently and collaborating with all stakeholders
- Executing the NRCS mandate in a financially sound and sustainable manner and in accordance with principles of good governance.

## 7. NRCS Vision, Mission and Values

### a. VISION

*“A credible and respected regulator for the protection of the public, the economy and the environment.”*

### b. NRCS MISSION

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*To develop compulsory specifications and technical regulations, and maximise compliance of regulated products and services*

### c. NRCS VALUES

The NRCS underwent a process of revising its organisational values and ensured alignment with its strategic oriented goals. These values are intended to define and inculcate a culture focused towards good corporate governance, high performance and operational efficiency. The values also represent the requirements of the Constitution of South Africa, in particular Chapter 10 – Public Administration and Batho Pele principles.

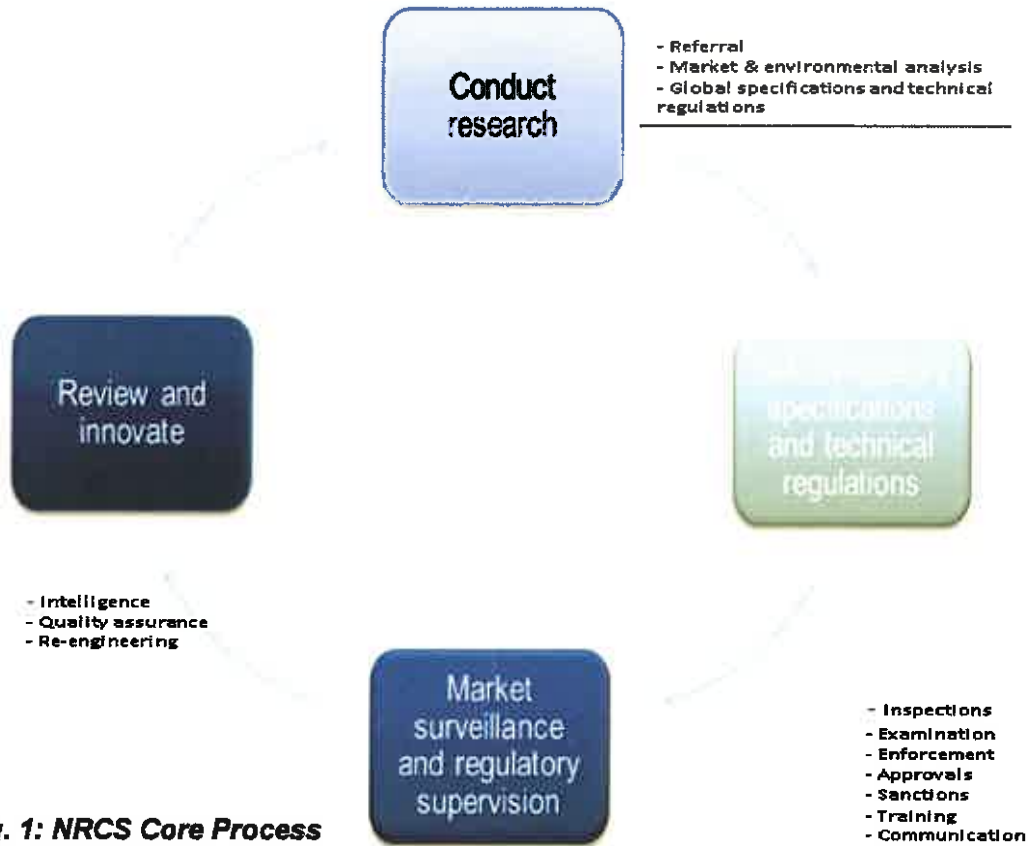
## NRCS Core Values

<i>Values</i>	<i>Description</i>
<b>Professionalism</b>	We shall act independently and take informed decisions with high level of integrity and competence.
<b>Accountable</b>	We shall accept responsibility for our own actions and commitment and deliver on our promises.
<b>Innovative</b>	We shall be proactive and respond rapidly, intelligently, appropriately and be adaptable to the dynamic consumer and market needs by ensuring maintained relevance.
<b>Collaborative</b>	We will lead inclusively through dedicated teams, respecting the views, wisdom and loyalty of valued stakeholders.
<b>Ethical</b>	We shall make decisions in a way that ensure fair, equitable outcomes for our stakeholders.
<b>Transparency</b>	We shall be open with our stakeholders and communicate the basis upon which decisions are made and actions taken.

All NRCS employees are encouraged to live the NRCS's values in all that they do. The NRCS will continue to encourage staff to do so until such time as the values form an integral part of the work life of all staff at the NRCS. Regular communication sessions will continue to be held detailing the NRCS's purpose, mandate, role and ways of working. This will ensure that the NRCS's strategy and values remain relevant and become firmly institutionalized.

## 8. NRCS core process and products

In executing its mandate, the NRCS understands and follows a distinct core business process as outlined below.



**Fig. 1: NRCS Core Process**

### **a. Research**

The NRCS conducts market research and environmental scans / analyses to determine those compulsory specifications and technical regulations that should be introduced to ensure that the health and safety of the South African public and the environment are protected, as well as to ensure fair trade.

NRCS will be proactive in identifying shortcomings in the current regulatory framework as well as with the current compulsory specifications and technical regulations. The development of new compulsory specifications and the amendment of existing ones will be in accordance with IPAP milestones, industry and consumer needs.

### **b. Setting Compulsory Specifications and Technical Regulations**

The development, amendment or withdrawal of compulsory specifications and technical regulations involve conducting risk and impact assessments in the drafting process. Wherever possible, national and international standards are used in the development of these compulsory specifications and technical regulations. In the absence of suitable standards, the NRCS initiates the drafting of the standard or develops a compulsory specification or technical regulation incorporating the necessary technical requirements in accordance with legislative prescripts. In the case of building regulations, the NRCS develops technical regulations to set the minimum technical requirements for buildings and the built environment.

### **c. Stakeholder Engagement**

The NRCS will conduct extensive analysis and engagement with relevant stakeholders to ensure that the specifications and regulations developed are practical, appropriate and meaningful. The NRCS will also engage with stakeholders to provide education and awareness programmes and to promote compliance with compulsory specifications and technical regulations.

### **d. Market Surveillance and Regulatory Supervision**

The NRCS will continue to apply the Border Enforcement Strategy and the Risk Based Approach in its work, signifying a shift from the past practice where the NRCS predominantly conducted inspections at retail outlets. NRCS will comprehensively explore the approach of



**“inspecting at source of production or port of entry”** to promote compliance behavior. This combined with the introduction of self-regulation which is currently in its pilot phase will see an increase in inspections at source with an expected improvement in compliance behaviour.

Regulatory supervision also incorporates the pre-market approval process. Pre-market approvals serve as confirmation that the product model which has been evaluated by the NRCS meets the requirements of the relevant compulsory specification or technical regulation.

#### **e. Review and Innovate**

It is essential that the NRCS develops an effective quality assurance process to ensure that a culture of ongoing learning, improvement and innovation is cultivated. Such an approach will ensure that the required impact of the regulator is achieved and that there is a focus on quality outcomes rather than on activities. Furthermore, all approaches, methodologies, business processes and procedures will be continually reviewed and re-engineered to keep them current, efficient and effective.

## 9. Revisions to legislative and other mandates

The migration from Trade Metrology Act to Legal Metrology Act, Act 9 of 2014 has increased the scope of work for the NRCS to cover all measurements and measuring instruments including health, safety and environmental related measurements and instruments.

### a. Planned policy initiatives

#### i. *Border Management Agency*

The NRCS Strategy as well as the enforcement functions at the Ports of Entries will in the medium term be affected by the establishment of the Border Management Agency. There will be implications to the NRCS compliance and enforcement functions as Schedule 1 of the Border Management Agency Bill assign enforcement and compliance functions at the Ports of Entry to the Border Management Agency. This affects the two primary legislations of the NRCS namely Legal Metrology act and National Regulator for Compulsory Specifications Act.

#### ii. *Recent Court Rulings*

There was one court ruling on issuing of sales permits. The NRCS is in the process of reviewing the standard operating procedure for Sales Permits applications.

## 10. Strategic model & planning process



During October 2015, management and key stakeholders of the NRCS met to deliberate upon the strategic direction of the NRCS for the period 2018/19–2020/21. This deliberation was premised on the founding prescripts of NRCS as enshrined in legislation, as well as experience gathered over the past years in performing its mandate. The deliberations resulted in the development of an annual plan that is both aligned with the purpose and also considers the performance environment of the organisation.

## 11. Overview of 2018 budget and MTEF estimates

### a. Budget narrative

#### i. Revenue

In the medium term, Levy Revenue will increase an average of 11% per year. Services Revenue will initially decrease based on with actuals for YTD December 2017 and then estimates will increase over the next two years. The interest earned on surplus funds in the bank account will decrease due to a very strong possibility that National Treasury may request return of the surplus to the fiscus. In addition, the NRCS has planned to utilise the funds in procuring items as contained in their Demand Plan.

#### Expenditure

#### ii. Expenditure

Compensation Costs will increase as per the Wage Agreement and all other employees increases were based on 2017/2018 actuals. Includes all approved vacancies. Goods and Services will increase in line with revenue demands.

NRCS will also participate in other prescribed transversal contracts as and when indicated by National Treasury and when current contracts in respect of related goods and services come to an end. NRCS further implements the provisions of the cost containment measures issued by National Treasury. These savings have already been built into last year and current MTEF submissions.

#### iii. Asset and Liability Management

The identification of levy payers, management of debtors through a vigorous debt collection program together with charging interest on late payment of levies are the primary mechanisms implemented by the NRCS to ensure improved collection of debt. Payment of creditors within prescribed timelines and the overall management of procurement in the NRCS are in place to ensure timely and accurate settlement of creditors.

#### iv. Cash Flow Projections

The NRCS projects positive, yet reducing cash flows throughout the MTEF period mainly as a result of the organisation having to sustain higher employee costs and reduced government funding. Cash is also used to fund capital purchases and infrastructure projects.

*v. Capital Expenditure Projects and Infrastructure Plans*

Capital expenditure including infrastructure plans includes the following:

- Refurbishment of the Port Elizabeth building (office accommodation) with the intention of NRCS occupying this building,
- Procurement of pool vehicles to replace current vehicles and to enable NRCS to discharge its mandate.
- Replacement of ICT equipment and procurement of new ICT software and hardware
- Replacement and procurement of new laboratory equipment.

*vi. Dividend Policy*

NRCS does not declare dividends.

## b. Detailed Budget

### i. Expenditure per Goal

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Audited Outcome	Audited Outcome	Audited outcome	Approved budget	Revised budget estimate	Revised budget estimate	Planning Budget Estimate
Rand thousand							
<b>Administration</b>	34,584	36,746	44,405	55,778	53,682	62,318	64,000
Maximise compliance with all specifications and technical regulations	184,368	198,450	209,587	253,423	284,000	306,494	322,679
Develop, maintain and administer compulsory specifications and technical regulations	8,727	7,884	6,337	15,627	9,479	17,426	20,000
Inform and educate National Regulator for Compulsory Specifications stakeholders on the mandate of the regulator	4,640	9,099	5,218	8,709	7,698	10,269	13,000
Ensure an optimally capacitated institution	46,195	56,132	61,077	69,690	66,127	77,714	77,714
<b>Total Budget</b>	<b>278,514</b>	<b>308,311</b>	<b>326,624</b>	<b>403,227</b>	<b>420,986</b>	<b>474,221</b>	<b>497,393</b>

ii. *Statement of financial performance*

Statement of Comprehensive Income	Audited Outcome	Audited Outcome	Audited Outcome	Approved Budget MTEF	Medium-term estimate			
					2014/15	2015/16	2016/17	2017/18
R thousand								
<b>Revenue</b>								
Tax revenue	-	-	-	-	-	-	-	-
Non-tax revenue	221 192	218 195	267 900	277 161	288 882	334 770	350 220	
Sale of goods and services other than capital assets of which:								
Administrative fees	-	-	-	-	-	-	-	
Sales by market establishment	210 169	201 613	244 242	240 532	277 984	299 874	330 705	
Other sales	-	-	-	-	-	-	-	
Other non-tax revenue	11 022	16 582	72 359	36 629	10 898	34 846	19 515	
Interest, dividends and rent on land	9 969	14 394	16 623	14 500	8 500	8 000	10 000	
Transfers received	109 734	91 732	86 416	128 745	134 501	139 501	147 173	
Tax benefit	-	-	-	-	-	-	-	
Outside shareholders interest	-	-	-	-	-	-	-	
<b>Total revenue</b>	<b>330 926</b>	<b>309 927</b>	<b>354 059</b>	<b>405 906</b>	<b>420 986</b>	<b>474 221</b>	<b>497 393</b>	
<b>Expenses</b>								
Current expenses	278 514	278 514	308 311	326 361	420 986	474 221	497 393	
Compensation of employees	217 186	239 843	258 177	298 643	321 065	354 037	372 641	
Goods and services	57 851	66 021	64 748	100 202	94 849	115 288	119 750	
Depreciation	2 693	2 447	3 436	4382	5 072	4 896	5 000	
Interest, dividends and rent on land	784	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	
<b>Total expenses</b>	<b>278 514</b>	<b>308 311</b>	<b>326 361</b>	<b>403 227</b>	<b>420 986</b>	<b>474 221</b>	<b>497 393</b>	
<b>Surplus / (Deficit)</b>	<b>52 412</b>	<b>1 616</b>	<b>27 698</b>	<b>2 679</b>	<b>0</b>	<b>0</b>	<b>0</b>	

### iii. Cashflow

The budget information (Medium term estimate) is done on (cash/accrual) basis:										
Cash flow data	2014/15		2015/16		2016/17		2017/18	2018/19	2019/20	2020/21
	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Audited Outcome	Approved budget	Approved budget	Revised Budget Estimate	Planning Budget Estimate
<b>Cash receipts from stakeholders</b>	<b>311,661</b>	<b>331,760</b>	<b>369,297</b>	<b>309,361</b>	<b>373,941</b>	<b>373,941</b>	<b>400,086</b>	<b>442,104</b>	<b>447,601</b>	<b>464,173</b>
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-	-
<b>Sales of goods and services other than capital assets</b>	<b>190,696</b>	<b>210,993</b>	<b>236,480</b>	<b>201,363</b>	<b>236,722</b>	<b>236,722</b>	<b>260,209</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
Sales of goods and services produced by department (exc)	190,696	210,993	236,480	201,363	236,722	236,722	260,209	300,000	300,000	300,000
Sales by market establishments	190,696	210,993	236,480	201,363	236,722	236,722	260,209	300,000	300,000	300,000
<b>Transfers received</b>	<b>109,734</b>	<b>109,734</b>	<b>91,732</b>	<b>91,732</b>	<b>86,418</b>	<b>86,418</b>	<b>128,746</b>	<b>132,104</b>	<b>139,601</b>	<b>147,173</b>
Other government units	109,734	109,734	91,732	91,732	86,418	86,418	128,746	132,104	139,601	147,173
Departmental transfers	109,734	109,734	91,732	91,732	86,418	86,418	128,746	132,104	139,601	147,173
Executive Authority (e.g. Health)	109,734	109,734	91,732	91,732	86,418	86,418	128,746	132,104	139,601	147,173
<b>Interest and rent on land</b>	<b>3,656</b>	<b>11,023</b>	<b>9,985</b>	<b>14,394</b>	<b>6,000</b>	<b>6,000</b>	<b>3,000</b>	<b>10,000</b>	<b>8,000</b>	<b>7,000</b>
Interest	3,656	11,023	9,985	14,394	6,000	6,000	3,000	10,000	8,000	7,000
<b>Unclassified revenue</b>	<b>7,647</b>	-	<b>31,100</b>	<b>1,862</b>	<b>45,801</b>	<b>45,801</b>	<b>18,134</b>	-	-	-
<b>Cash paid to stakeholders</b>	<b>303,698</b>	<b>274,708</b>	<b>367,386</b>	<b>303,771</b>	<b>366,462</b>	<b>366,462</b>	<b>366,361</b>	<b>410,669</b>	<b>436,870</b>	<b>436,679</b>
<b>Current payments</b>	<b>303,698</b>	<b>274,708</b>	<b>367,386</b>	<b>303,771</b>	<b>366,462</b>	<b>366,462</b>	<b>366,361</b>	<b>410,669</b>	<b>436,870</b>	<b>436,679</b>
Compensation of employees	216,826	223,803	265,206	240,062	270,783	270,783	284,283	314,184	336,197	364,261
Salaries and wages	214,452	190,378	262,706	237,567	240,715	240,715	292,427	311,509	333,209	351,041
Social contributions	1,374	33,525	2,500	2,300	30,074	30,074	1,856	2,675	2,988	3,210
<b>Goods and services</b>	<b>87,762</b>	<b>76,803</b>	<b>92,180</b>	<b>63,725</b>	<b>94,664</b>	<b>94,664</b>	<b>92,067</b>	<b>96,486</b>	<b>102,673</b>	<b>82,328</b>
Audit costs	2,300	2,750	3,000	3,000	3,168	3,168	3,326	3,600	3,650	3,700
Communication	3,080	2,774	6,827	6,027	6,894	6,894	6,847	4,948	5,228	6,501
Computer services	5,600	3,710	5,250	5,250	4,592	4,592	4,858	7,772	8,207	8,207
Consultants	15,005	6,984	14,012	14,012	16,320	16,320	13,000	13,528	14,483	15,127
Lease Payments	18,635	17,261	19,398	19,398	21,685	21,685	21,383	18,144	20,163	21,737
Repairs and maintenance	1,453	529	1,804	1,904	2,207	2,207	2,338	1,848	2,033	2,622
Research and development	-	784	-	-	-	-	-	-	-	-
Training and staff development	2,889	1,388	3,425	3,425	2,866	2,866	3,129	3,853	4,080	4,307
Travel and subsistence	16,542	15,972	18,842	10,102	16,065	16,065	15,027	17,622	18,657	21,127
Venues and facilities	-	-	-	-	-	-	-	-	-	-
Other unclassified expenditure	20,258	18,650	18,722	-	21,868	21,868	22,059	25,172	26,172	-
Of Which:	-	-	-	-	-	-	-	-	-	-
Movements in stocks and finished goods	20,258	18,650	18,722	-	21,868	21,868	22,059	25,172	26,172	-
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
<b>Cash flow from operating activities</b>	<b>8,073</b>	<b>57,052</b>	<b>11,912</b>	<b>6,590</b>	<b>8,489</b>	<b>8,489</b>	<b>13,738</b>	<b>31,436</b>	<b>8,631</b>	<b>17,694</b>
<b>Cash flow from investing activities</b>	<b>(27,021)</b>	<b>(1,274)</b>	<b>(30,400)</b>	<b>(14,896)</b>	<b>(21,268)</b>	<b>(21,268)</b>	<b>(12,648)</b>	<b>(5,000)</b>	<b>(4,000)</b>	<b>(4,000)</b>
Acquisition of property, plant, equipment & intangible asset	(27,021)	(1,274)	(30,400)	(14,896)	(21,268)	(21,268)	(12,648)	(5,000)	(4,000)	(4,000)
Buildings, residential	-	-	(15,300)	(6,078)	-	-	-	-	-	-
Other fixed structures	(35)	-	-	-	-	-	-	-	-	-
Investment property	(5,000)	-	(5,000)	-	-	-	-	-	-	-
Transport equipment	(4,425)	(405)	(1,550)	(5,203)	(5,000)	(5,000)	-	-	-	-
Furniture and office equipment	(1,170)	(43)	(608)	(3,615)	(329)	(329)	(430)	(2,000)	(1,000)	(1,000)
Other machinery and equipment	(5,204)	(29)	(1,128)	-	(11,539)	(11,539)	(716)	(500)	(500)	(500)
Software and other intangible assets	(3,356)	(167)	(4,924)	-	(3,600)	(3,600)	(10,500)	(2,000)	(2,000)	(2,000)
Land & subsoil assets	-	-	-	-	-	-	-	-	-	-
Computer equipment	(7,831)	(630)	(1,860)	-	(900)	(900)	(900)	(500)	(500)	(500)
<b>Cash flow from financing activities</b>	<b>(42)</b>	<b>(42)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(18,990)</b>	<b>55,727</b>	<b>(18,488)</b>	<b>(8,316)</b>	<b>(12,779)</b>	<b>(12,779)</b>	<b>1,190</b>	<b>26,436</b>	<b>4,631</b>	<b>13,694</b>



iv. Statement of financial position

Statement of Financial Position	2014/15		2015/16		2016/17		2017/18		2018/19		2019/20		2020/21	
	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Audited Outcome	Approved budget	Approved budget	Approved budget	Approved budget	Revised Budget Estimate	Revised Budget Estimate	Planning Budget Estimate	Planning Budget Estimate
<b>ASSETS</b>														
Current assets	92,589	230,312	199,211	221,179	80,429	256,392	54,997	55,832	80,783	70,000				
Trade and other receivables from exchange transactions	10,405	23,643	11,030	21,333	11,691	14,644	12,393	10,000	13,260	10,000				
Cash and cash equivalents	82,183	206,669	188,181	199,846	68,738	229,037	42,604	55,832	67,523	60,000				
<b>Non-current assets</b>	61,091	18,119	44,494	29,697	167,998	24,436	181,666	181,666	186,776	191,666				
Property, plant and equipment	39,857	7,767	24,218	20,277	131,222	22,094	140,000	140,000	150,000	150,000				
Intangible assets	10,374	3,686	8,610	2,860	25,110	2,014	30,000	30,000	25,110	30,000				
Investment property	10,535	6,338	11,338	6,242	11,338		11,338	11,338	11,338	11,338				
Other non-current financial assets	325	328	328	328	328	328	328	328	328	328				
<b>Total assets</b>	<b>153,680</b>	<b>248,431</b>	<b>243,705</b>	<b>250,876</b>	<b>248,427</b>	<b>280,828</b>	<b>236,663</b>	<b>247,498</b>	<b>267,559</b>	<b>261,666</b>				
<b>LIABILITIES</b>														
Current liabilities	41,247	43,956	39,913	36,705	43,204	36,645	25,595	23,500	36,021	20,500				
Payments received in advance														
Trade and other payables from exchange transactions	31,898	20,238	25,580	21,012	28,012	17,300	10,000	10,000	23,521	8,000				
Accrued interest						827								
Current provisions	9,349	23,718	14,333	15,693	15,193	16,516	15,595	13,500	12,500	12,500				
Leave	1,710	22,160	12,426	15,693	13,171	16,547	13,453	11,000	10,000	10,000				
Severance	7,639	1,558	1,907		2,021	1,971	2,142	2,500	2,500	2,500				
Provisions for operational liabilities														
<b>Non-current liabilities</b>	<b>24,976</b>	<b>22,229</b>	<b>21,251</b>	<b>30,043</b>	<b>22,526</b>	<b>32,623</b>	<b>53,877</b>	<b>203,000</b>	<b>221,000</b>	<b>231,166</b>				
Operating Lease Liability														
Other non-current financial liabilities						932		30,000	200,000	211,166				
Non-current provisions	24,976	22,229	21,251	30,043	22,526	31,691	23,877	21,000	21,000	20,000				
<b>Total liabilities</b>	<b>66,224</b>	<b>66,185</b>	<b>61,164</b>	<b>66,748</b>	<b>65,730</b>	<b>69,268</b>	<b>79,473</b>	<b>226,500</b>	<b>257,021</b>	<b>251,666</b>				
<b>NET ASSETS</b>	<b>87,456</b>	<b>182,246</b>	<b>182,541</b>	<b>184,128</b>	<b>182,697</b>	<b>211,560</b>	<b>157,190</b>	<b>20,998</b>	<b>10,538</b>	<b>10,000</b>				
Accumulated surplus / (deficit)	87,456	182,246	182,541	184,128	182,697	183,862	157,190	20,998	10,538	10,000				
Reserves						27,698								
Cash reserves						27,698								
<b>Total net assets and liabilities</b>	<b>153,680</b>	<b>248,431</b>	<b>243,705</b>	<b>250,876</b>	<b>248,427</b>	<b>280,828</b>	<b>236,663</b>	<b>247,498</b>	<b>267,559</b>	<b>261,666</b>				
Contingent liabilities														

## 12. NRCS surveillance approach

Regulating and inspecting (regulatory surveillance) at the source of manufacturing or entry into the country will largely assist in locking out non-compliant products from the market, and ensure that NRCS is more efficient and effective in regulating the market. Source inspections will entail point of manufacture and point of entry inspections. Effort will be mainly directed at the source whilst some effort will be directed at retailers and distributors to gather intelligence and decrease the number of non-compliant products in the South African market.

### a. Port of entry enforcement

Finding non-compliant products in the marketplace is evidence of regulatory challenges and failure. The Port of Entry Surveillance Approach will respond to such challenges by decreasing the probability of non-compliant goods entering the South African marketplace.

Due to the large volume of imported products into South Africa and the fluid nature of trade, regulatory efficiency and effectiveness will be improved through intelligent utilisation of information technology.

### 13. Key programmes aligned to the dti's priorities

In alignment with the dti's priorities, the following strategic initiatives are incorporated under Strategic Goal 1:

Focus Area	Milestones
<b>Agro-processing</b>	<ul style="list-style-type: none"> <li>• Amendment of Compulsory Specification for canned fish products.</li> <li>• Amendment of Compulsory Specification for canned meat products.</li> </ul>
<b>Automotive Products and Components</b>	<ul style="list-style-type: none"> <li>• Amendment of Compulsory Specifications VC 8022, 8023, 8024 and 8025, to add additional safety features to automotive vehicles and align SA requirements with latest UN (ECE) requirements.</li> <li>• Finalise Amendment of Compulsory Specifications VC 8056 and 8059 for pneumatic tyres for passenger and commercial vehicles.</li> <li>• Finalise Amendment of Compulsory Specification VC 8013 for hydraulic brake and clutch fluid.</li> </ul>
<b>National Building Regulations and Building Standards Act</b>	<ul style="list-style-type: none"> <li>• Feasibility Study: Compulsory Specification for timber roof-trusses and punched metal fasteners.</li> <li>• Feasibility Study: Lintels in construction</li> </ul>
<b>Consumer protection initiatives</b>	<ul style="list-style-type: none"> <li>• New Compulsory Specification (VC) for safety of toys.</li> <li>• Amendment of Compulsory Specification VC 9085 Cement.</li> </ul>
<b>Clampdown on customs fraud, illegal imports and sub-standard products.</b>	<ul style="list-style-type: none"> <li>• Feasibility Study: Conduct feasibility study on Plywood and Composite Board.</li> <li>• Strengthening of a range of measures – including closer collaboration between the dti, industry, NCRS, SABS and SARS – through multi-sectoral forums.</li> <li>• Conduct continuous targeted inspections and raids on non-compliant products; confiscation of</li> </ul>

Focus Area	Milestones
<p><b>Co-operation on Standards, Quality Assurance, Metrology and Accreditation (Technical Infrastructure)</b></p>	<p>substandard and illegal products in the possession of individuals, companies and those entering South Africa.</p> <ul style="list-style-type: none"> <li>• Work with AFRIMETS member states to further the adoption of OIML (Legal metrology) and CIPM (scientific metrology) directives and publications as the main strategy to implement the CIPM Mutual Recognition Arrangement and facilitate the harmonization of technical regulation on the continent.</li> </ul>

## 14. Performance plan

### a. Strategic Goal 1: Annual Targets

Table 1.1: Annual Targets: Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

Expected Outcomes/	Measurable Objective/ Output	Performance Indicator / Measure	Audited Performance 2014/15	Audited Performance 2015 / 2016	Audited Performance 2016/17	Estimated Performance 2017/18	Target 2018/19	Target 2019/20	Target 2020/21
Build Regulatory System Responsive to Market needs	a Develop a set of VC's/Tech Regs that are to responsive to market needs Develop a set of VC's/Tech Regs that are responsive to market needs	Number of VC's/Tech Regulations approved by CEO for submission to the Department of Trade and industry for publication in the Government Gazette.	8 Compulsory Specifications/ Technical Regulations	8 Compulsory Specifications/ Technical Regulations	5 Compulsory Specifications/ Technical Regulations	8 Compulsory Specifications/ Technical Regulations	12 Compulsory Specifications/ Tech Regulations approved by CEO for submission to the Department of Trade and industry for publication in the Government Gazette.	12 Compulsory Specifications/ Technical Regulations	13 Compulsory Specifications/ Technical Regulations
		Percentage of Regulatory Assessment (RIA) for amended and new Specifications and Technical Regulations submitted to the dti for first gazetting.	None	None	None	None	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VC's/TRs submitted for 1 <sup>st</sup> Gazetting.	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VC's/TRs submitted for 1 <sup>st</sup> Gazetting.	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VC's/TRs submitted for 1 <sup>st</sup> Gazetting.

## b. Strategic Goal 1: Quarterly Targets: 2018-2019

Table 1.2: Cumulative Quarterly Targets: Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

Number	Performance Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
1.1	Number of new, amended or withdrawn VC's/Tech Regulations submitted to the dti.	Quarterly Cumulative	10 Compulsory Specifications/ Technical Regulations	Compulsory 2 Specifications/ Technical Regulations	Compulsory 5 Specifications/ Technical Regulations	Compulsory 8 Specifications/ Technical Regulations	Compulsory 12 Specifications/ Technical Regulations
1.2	Percentage of Regulatory Impact Assessment Reports (RIA) for amended and new Compulsory Specifications and Technical Regulations submitted to the dti for first gazetting.	Quarterly Cumulative	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VCs/TRs submitted for 1 <sup>st</sup> Gazetting.	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VCs/TRs submitted for 1 <sup>st</sup> Gazetting.	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VCs/TRs submitted for 1 <sup>st</sup> Gazetting.	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VCs/TRs submitted for 1 <sup>st</sup> Gazetting.	100% Regulatory Impact Assessment Reports submitted to the dti for all new and amended VCs/TRs submitted for 1 <sup>st</sup> Gazetting.

## c. Strategic Goal 2: Annual Targets

Table 2.1: Annual Targets: Goal 2: To maximise compliance with all specifications and technical regulations

Expected Outcomes/	Measurable Objective/ Output	Performance Indicator / Measure	Audited Performance 2014/15	Audited Performance 2015 / 2016	Audited Performance 2016/17	Estimated Performance 2017/18	Target 2018/19	Target 2019/20	Target 2020/21
Increased compliance to compulsory specifications	Increase market surveillance activities and enforce	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units	16 188	19 940	20 261	20 300	20 430	20 500	20 700

Expected Outcomes/	Measurable Objective/ Output	Performance Indicator / Measure	Audited Performance 2014/15	Audited Performance 2015 / 2016	Audited Performance 2016/17	Estimated Performance 2017/18	Target 2018/19	Target 2019/20	Target 2020/21
and technical regulations	compliance through regulations based on sound market intelligence	Percentage of inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures	Inspected 100% of all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products
		Number of inspections conducted on locally produced Frozen products and fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures	2108 inspections	2125 inspections	1 989 inspections	2000 inspections	2050 inspections	2153 inspections	2160 inspections
		Percentage of gaming approval applications processed within the set timeframes	98% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	94% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days
		Percentage of approval applications processed within the set timeframes	-	85% of all approval applications processed within 120 calendar days	54% of all approval applications processed within 120 calendar days	55% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days

### d. Strategic Goal 2: Quarterly Targets: 2018-2019

Table 2.2: Cumulative Quarterly Targets: Goal 2: To maximise compliance with all specifications and technical regulations

Number	Performance Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
2.1	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units	Quarterly Cumulative	20 430	5 200	10 740	15 585	20 430
2.2	Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures	Quarterly Cumulative	100% of inspections conducted on all declared fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products
2.3	Number of inspections conducted on locally produced Frozen products and fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures	Quarterly Cumulative	2050 inspections	525 inspections	1 050 inspections	1 550 inspections	2 050 inspections
2.4	Percentage of gaming approval applications processed within the set timeframes	Quarterly Cumulative	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days
2.5	Percentage of approval applications processed within the set timeframes	Quarterly Cumulative	100% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days	100% of all approval applications processed within 120 calendar days



### e. Strategic Goal 3: Annual Targets

Table 3.1: Annual Targets: Goal 3: To inform and educate our stakeholders about the NRCS

Expected Outcomes/	Measurable Objective/ Output	Performance Measure	Indicator	Audited Performance 2014/15	Audited Performance 2015 / 2016	Audited Performance 2016/17	Estimated Performance 2017/18	Target 2018/19	Target 2019/20	Target 2020/21
Informed Stakeholders on NRCS functions	Public awareness platforms and events	Number of consumer education events or campaigns	stakeholder education events or campaigns	13 consumer education events or campaigns	10 consumer education events or campaigns	12 consumer education events or campaigns	14 consumer education events or campaigns	NRCS 14 consumer education events or campaigns	NRCS 14 consumer education events or campaigns	NRCS 15 consumer education events or campaigns
		Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy					Stakeholder Engagement Strategy Approved by NRCS CEO	100% implementation of the Stakeholder Engagement Strategy	100% implementation of the Stakeholder Engagement Strategy	100% implementation of the Stakeholder Engagement Strategy

### f. Strategic Goal 3: Quarterly Targets: 2018-2019

Table 3.2: Cumulative Quarterly Targets: Goal 3: To inform and educate our stakeholders about the NRCS

Number	Performance Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
3.1	Number of stakeholder consumer education events or campaigns	Quarterly Cumulative	14 NRCS consumer education events or campaigns	3 NRCS consumer education events or campaigns	8 NRCS consumer education events or campaigns	11 NRCS consumer education events or campaigns	14 NRCS consumer education events or campaigns
3.2	Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy	Quarterly	100% implementation of the Stakeholder Engagement Strategy				100% implementation of the Stakeholder Engagement Strategy

### g. Strategic Goal 4: Annual Targets

Table 4.1: Annual Targets: Goal 4: To ensure an optimally capacitated institution

Expected Outcomes/	Measurable Objective/ Output	Performance Indicator / Measure	Audited Performance 2014/15	Audited Performance 2015 / 2016	Audited Performance 2016/17	Estimated Performance 2017/18	Target 2018/19	Target 2019/20	Target 2020/21
Increase effectiveness of human resources (NRCS employees)	A capacitated organisation with relevant systems to support business resources	Percentage (%) of vacancies. Vacancy rate of approved and funded posts	7.1%	6%	12%	7%	6%	5%	5%
		Percentage (%) of women in management.				27%	33%	37%	40%
		Percentage (%) of employees with disabilities				0%	0.5%	1%	2%
	Build IT platform and systems that supports and improve business	% implementation of ICT Master System Plan	-	-	ICT System developed and approved	ICT Master System Plan developed and approved	100% implementation of ICT Master System Plan	100% implementation of ICT Master System Plan	100% implementation of Master Systems Plan

### h. Strategic Goal 4: Quarterly Targets: 2018-2019

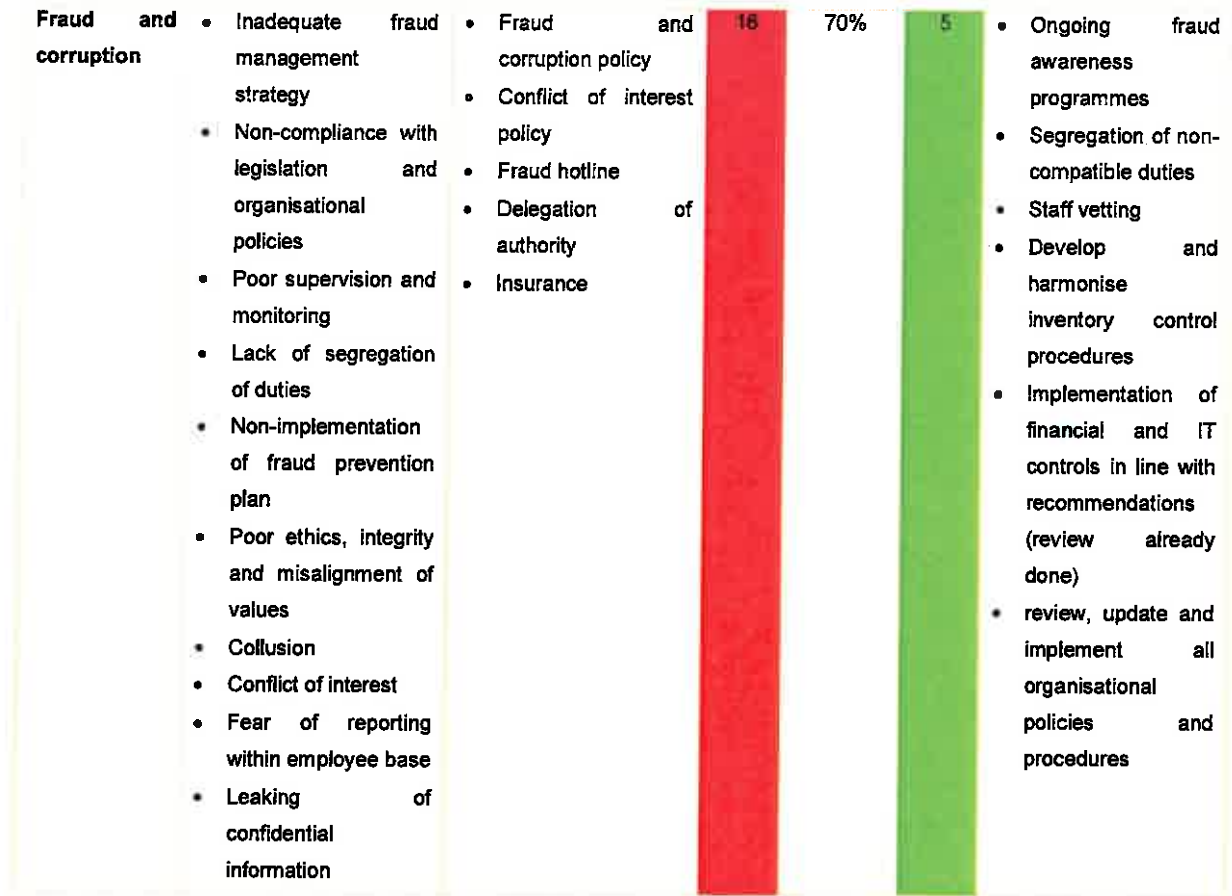
Table 4.2: Quarterly Targets: Goal 4: To ensure an optimally capacitated institution

Number	Performance Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
4.1	Percentage (%) of vacancies approved and funded posts	Quarterly	7%	*	*	*	7%
4.2	Percentage (%) of women in management.	Quarterly	33%	*	*	*	33%
4.3	Percentage (%) of employees with disabilities	Quarterly	0.5%	*	*	*	0.5%
4.4	% implementation of ICT Master System Plan	Quarterly	100% of ICT Master System Plan Implementation	*	*	*	100% of ICT Master System Plan Implementation

## 15. Risk management

Risk Description	Contributory Factor/s	Existing Controls	Inherent Risk Rating	Control Adequacy Rating (%)	Residual Risk Rating	Control Improvements
			25	50%	13	
<b>Non-compliant products in the market</b>	<ul style="list-style-type: none"> <li>Inadequate supervision,</li> <li>culture of non-compliance,</li> <li>fraud and corruption,</li> <li>resources (technical expertise and equipment),</li> <li>Inadequate funding</li> <li>independency of the regulator</li> <li>Regulatory capture</li> <li>Inadequate testing facilities and capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Border enforcement</li> <li>Regulations</li> <li>Market surveillance (sample testing)</li> <li>Pre-market approval</li> <li>Sanctioning process</li> <li>Collaborating with other government entities</li> <li>Fraud prevention policy</li> <li>Promote self-compliance</li> <li>Strengthen prosecution of offenders</li> </ul>	25	50%	13	<ul style="list-style-type: none"> <li>Improve surveillance process and equipment</li> <li>Improve technical skills/visibility</li> <li>Improvement of the legislation (sanctions)</li> <li>Delegation of powers to issue directives to inspectors</li> </ul>
<b>Non-compliance with the PFMA, policies and procedures and other legislation</b>	<ul style="list-style-type: none"> <li>Poor discipline</li> <li>Lack of internal compliance mechanism</li> <li>Lack of effective planning</li> <li>Role clarity</li> <li>Resourcing</li> </ul>	<ul style="list-style-type: none"> <li>Policies and procedures</li> <li>Management of payments</li> <li>Disciplinary policies and procedures</li> <li>Shareholder compact</li> <li>Insurance on all assets</li> </ul>	25	50%	13	<ul style="list-style-type: none"> <li>Improve disciplinary process</li> <li>Review all organizational policies</li> <li>Education and awareness campaigns</li> <li>Enhance systems financial controls</li> <li>Enhance systems of control over assets management</li> </ul>

Sustainability	<ul style="list-style-type: none"> <li>• BMA</li> <li>• Unsustainable High human capital bill</li> <li>• Wages that are not market determined</li> <li>• Poor management of Human resources</li> <li>• Limited Revenue streams</li> <li>• Cyclical revenue</li> <li>• Organisational structure not aligned to business strategy</li> <li>• Organisational culture</li> <li>• Inability to account for and collect revenue</li> <li>• Ineffective budgeting</li> <li>• Ineffective controls</li> <li>• Lack of accountability</li> <li>• Poor communication</li> <li>• Ineffective delegations</li> </ul>	<ul style="list-style-type: none"> <li>• NRCS Levy Model</li> <li>• Governance framework</li> <li>• Delegation of Authority</li> </ul>	20	50%	10	<ul style="list-style-type: none"> <li>• Organisational Structure review</li> <li>• NRCS Funding Model Review</li> <li>• HR policies Review</li> <li>• Review BMA Bill</li> </ul>
Loss of Regulatory Mandate/ Transfer of regulatory mandate	<ul style="list-style-type: none"> <li>• BMA</li> <li>• Lack of MOUs with government Departments</li> <li>• No centralised MOU Register</li> <li>• MOUs not reviewed</li> <li>• Performing regulatory mandate based on letters and not signed MOUs</li> </ul>	<ul style="list-style-type: none"> <li>• MOUs with Strategic Partners including SARS</li> </ul>	25	50%	13	<ul style="list-style-type: none"> <li>• Review the draft BMA Bill</li> <li>• MOU with DEA</li> <li>• MOU with DoT</li> </ul>
Unregulated markets	<ul style="list-style-type: none"> <li>• Unidentified industries</li> <li>• New developments/ technologies</li> <li>• Lack of awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Research and development department</li> <li>• Market surveillance</li> <li>• Stakeholder forums</li> </ul>	15	50%	8	<ul style="list-style-type: none"> <li>• Implement gap analysis</li> <li>• Data management/ analysis</li> <li>• Impact assessment</li> <li>• Skills improvement</li> <li>• Benchmarking</li> </ul>



## 16. Annexure a: NRCS ICT strategy

### a. Background

The NRCS has identified and is in the process of implementing key projects in support of the NRCS organisational Strategic Plan and strategic direction. The IT platform is capable of meeting the NRCS needs and is critical to achieving the organisation’s strategic goals. The IT platform represents the backbone necessary to enable the NRCS to achieve its goals. In the next three years, the NRCS will modernise its systems and implement new IT infrastructure. Modernisation will encompass the sourcing of an Enterprise Resource Planning and Customer Relationship Management Systems.

The Customer Relationship Management System (CRM) is necessary in aiding the NRCS’ operational needs. The entity is working on incorporating all approval and inspection processes, managing of clients, creating inspection forms, and allowing for inspection results to be recorded electronically in order to provide the required evidence and inspection statistics. The NRCS is also engaged in a process of procuring an Enterprise Resource Planning (ERP) system which will provide for Human Resource needs, Payroll needs and Financial Management requirements.

### b. Information Communication Technology Infrastructure

The NRCS implemented a new ICT platform in 2013 that enabled the provision of an efficient, generally stable and accessible environment. The ICT Infrastructure seeks to enable the NRCS to operate in a secure environment. This infrastructure is hosted in a cloud environment, which is the key enabler for accessibility for our staff and clients. The ICT Infrastructure was designed to achieve interoperability and scalability to ensure easy provisioning of new services and communication with other systems.

### c. Current Systems

The following systems are currently hosted on the NRCS environment.

No.	Systems (Old Environment)	Purpose	Systems (New Environment)	Comments
a)	Windows XP	Operating System	Window 7 & Window 8	Upgrade in Line with Microsoft Licensing Agreement
b)	Novel Client	Security Management – user Authentication	Microsoft Active Directory	New Platform
c)	Sophos Endpoint Security	For end point security	Forefront	New Platform

No.	Systems Environment)	(Old Purpose	Systems Environment)	(New Comments
d)	GroupWise Mail	Messaging Solution	Exchange Mail	New Platform
e)	JDE System	Financial Management	JDE System	Software Update pending acquisition of new ERP System
f)	Website (Proprietary CMS)	Communication and Collaboration	SharePoint	New Platform
g)	Intranet (Proprietary CMS)	Communication and Collaboration	SharePoint	New Platform
h)	Database (MSSQL)	Database	Database (MSSQL)	Software Upgrade
i)	Database (Oracle)	Database	Database (Oracle)	Same System
j)	File Server (Novell)	File management	SharePoint / Windows 2008 File Server	New Platform
k)	Standalone Databases		Managing clients &	To be replaced by CRM solution approvals

#### d. Focus areas

**Accessibility:** *The provision of reliable, quick and secure information services.*

**Mobility:** *Ensuring access to NRCS information and systems by staff while they are remotely performing their duties to improve efficiency and effectiveness.*

**Collaboration:** *Ensuring interoperability between information systems and with other organisations and their information systems (inter departmental and authorised external information sharing).*

**Security:** *Ensuring authorised access to NRCS information systems and the dissemination of such information. (The NRCS cannot afford that the IS/ICT components become compromised as this may seriously jeopardize the core functions that the NRCS is required to perform).*

**Presentation:** *Ensuring the presentation of information to assist in decision-making processes.*

**Analysis:** *Enabling the analysis of regulatory information, organisational resource and administrative information for better future planning.*

#### e. Enterprise resource planning (ERP)

An ERP System will be implemented to address NRCS financial, human resources, payroll and supply chain management requirements. The ERP System will improve both internal collaborations and external customer relationships by automating tasks and activities that streamline work processes, shorten business process cycles, and increase user productivity. This project will be finalized at the end of 2019.



## f. ICT Priorities

### Priority 1: Implement and Sustain NRCS ICT Hardware

Deployment of an ICT platform which is capable of ensuring that business achieves its objectives, the proper maintenance of the IS/ICT environment including the consequential maintenance resulting from the establishment of additional IS/ICT resources, the periodic renewal and regular enhancement of out-dated IS/ICT resources, as well as the necessary expansion to accommodate natural growth. The IS/ICT goals associated with the implementation and sustaining IS/ICT environment are as follows

NO.	Focus Areas	ICT Goals	ICT Strategy	Action Plan	Alignment to NRCS Priorities
1	IT Infrastructure with Capacity to host the NRCS environment	To implement an infrastructure that is secured and capable of hosting the NRCS System and business applications.	This will be accomplished by ensuring that ICT infrastructure is scalable, reliable and fit for the purpose to achieve the NRCS objectives	Acquire and manage IT hardware and software for the hosting environment.	Ensuring that the best technology capable of fulfilling the NRCS strategic goals at the best possible cost is sourced.
2	Investment in Reliable IT hardware to improve business performance	To procure Desktop and Laptops computers which are appropriate for the NRCS environment	Supply business with modern and reliable IT equipment for on and out of office use to enable performance of tasks when inspecting away from the office	Sourcing of new equipment to replace aging computers	Ensuring that business have the equipment that will enable them to perform better in their duties
3	Sustain the IT environment	To ensure the continuation of IS/ICT delivery and performance levels.	This will be accomplished by maintaining and enhancing current systems, expanding and renewing tools and equipment, applications and ensuring that there is sufficient Support for these systems	To implement necessary improvement on need basis to ensure the IT environment is stable at all times.	This IS/ICT Goal and Strategy aims at ensuring the continuous availability, effectiveness and efficiency of current IS/ICT that are utilized by the NRCS in pursuit of all its priorities.

*Priority 2: Acquire an IT platform that will keep up with modern/current technology*

Advancing additional IS/ICT includes the acquisition, development and implementation of IS/ICT in support of the required capabilities. The IS/ICT Goals associated with Advancing Additional IS/ICT are as follows:

NO	Focus Areas	ICT Goals	ICT Strategy	Action Plan	Alignment to NRCS Priorities
1	Accessibility	To enable and improve easy, reliable, convenient, quick and secured access to NRCS information and services from anywhere and all the time.	This will be accomplished by establishing Universal Information System, Independent User Interfaces, Device Independence, as well as single sign-on.	Provide remote access to all NRCS Systems via the APN through 3g cards access. To issue 3g card to inspectors that allows access to the environment using a secured connection and can be monitored.	This aims at enabling NRCS users to access Information from anywhere and anytime. This IS/ICT Goal aims at supporting the priorities that focus upon customer satisfaction regarding access to information that industry has a right to, and convenient, secure, reliable access to NRCS's services at any place, any time and by any device.
2	Collaboration	To enable electronic communication and networking between NRCS functionaries themselves, with the industry, public, other organisations like SARS, CIPC, etc. and all relevant role players as well as between information systems of these stakeholders	This will be achieved by establishing Interoperability, Messaging, Electronic Data Interface (EDI) and Workflow Management, establishing Device Independence, Multi-media Conversion technologies and open systems standards.	Design an interface to enable sharing of imported information between the identified partners	The NRCS has adopted the port of entry enforcement intervention which seeks to inspect the commodities at ports of entry. This system will serve as a warning system when goods enter our borders. This IS/ICT Goal and Strategy aims at supporting inter- and intra-departmental communication and integration between multidisciplinary teams and functionaries during the execution of NRCS processes and services. Information systems, information and intelligence sharing forms an integral part of this capability.
3	Security	To ensure that all NRCS systems are secured and only authorised access to information systems and	This will be established by implementation of Systems Audit Controls, and End-to-End Security, Authentication	Install end point security, Digital certificates to secure access to the environment. Also to install Change Audit Software and	This IS/ICT Goal and Strategy aims at preserving the availability, integrity and confidentiality of information systems and information according to affordable security practices that are critical for

NO	Focus Areas	ICT Goals	ICT Strategy	Action Plan	Alignment to NRCS Priorities
		<p>information is allowed. The controlled environment to the dissemination of information to avoid leakages.</p>	<p>and Encryption.</p>	<p>Privileged Access Management software to monitor and record any breaches to the environment</p>	<p>achieving the pro-active and successful regulation expectations.</p>
4	<p>Information Analysis and Presentation</p>	<p>To enable the presentation and analysis of inspection data to generate intelligent reports in order to assist informed decision making.</p>	<p>This will be accomplished by focusing on business intelligence system, messaging and interoperability. To be achieved by establishing Data Mining, Business Intelligence as well as data accessibility for decision making.</p>	<p>Source and implement a business intelligence system for data mining and presentation.</p>	<p>This IS/ICT aims to support effective planning at various organisational levels, improve planning and control of administrative activities, identifying performance gaps and providing monitoring and evaluation mechanisms for organisational performance evaluations. Availability of information in real time will enhance productivity and assist business in meeting their objectives</p>

## g. Implementation of the ICT Strategy

ICT management will implement structures, processes and governance mechanisms for the effective and efficient management of ICT in order to facilitate the achievement of corporate objectives. In addition to ensuring that the risks and costs associated with IT are properly controlled, the NRCS will measure and manage IT performance and report such performance to the Executive. The IT goals defined within this ICT Strategy will be linked to a more detailed IT Business Unit Annual Plan.

### *i. External Influences & Drivers for the ICT*

#### **Rapid Changes in technology**

The NRCS is continuously building an IT platform that will enable technology to be an enabler in how NRCS plans and utilise all resources. The Internet, wireless networking, broadband, data/ IP telephony integration, video conferencing, “mobile” and “intelligent” devices are already influencing the way in which companies deliver and support core services.

Consequently it is important for the IT department to anticipate future demands for infrastructure capacities, IT skills and service delivery models, which can only be achieved if we aggressively participate in the global village and benchmark against the best in the world.

### *ii. Changes in Sourcing IT and Service Delivery*

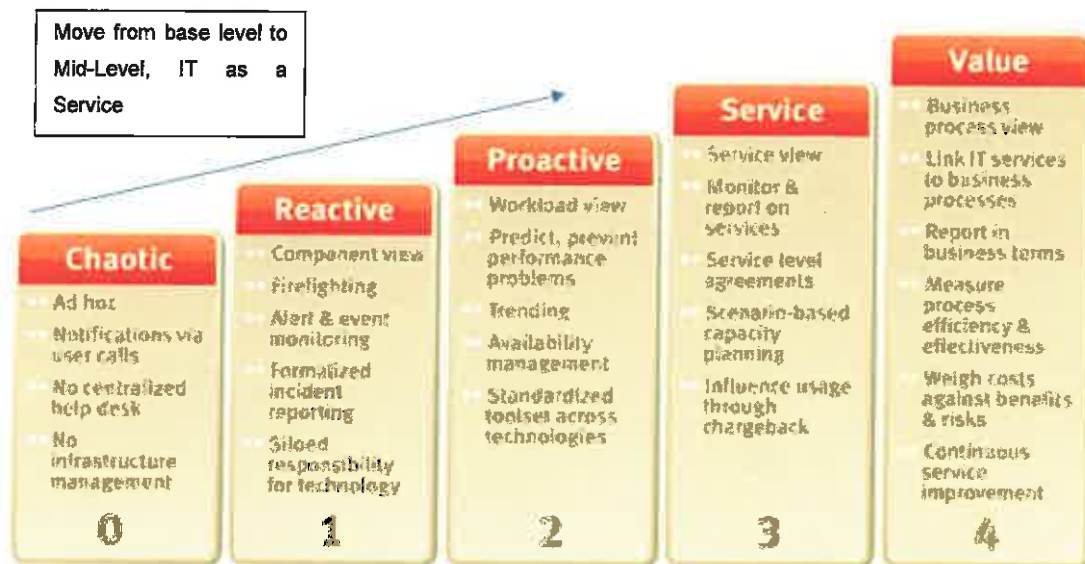
The ICT industry is innovative in the way Information Technology is sourced and delivered. There are various ways of sourcing IT Services like SaaS (*Software as a service*), PaaS (*Platform as a service*) where services are provided in the cloud. Outsourcing, managed service agreements, utility based charging are becoming common options for sourcing IT services. The NRCS will constantly assess and adjust its ICT arrangements to optimise the sourcing of Information Technology.

### *iii. Capability Maturity*

The key concept of **capability maturity** is increasingly being used to describe the degree to which businesses apply formalised processes to manage the IT function. Research work conducted by organisations such as the Software Engineering Institute at Carnegie-Mellon University, Gartner, Intel and the Innovation Value Institute based in *NUI Maynooth* has resulted in a number of maturity models being developed which provide a developmental

roadmap for organisations wishing to apply a more formal approach to managing their activities.

The central message behind these models is that the more formalized and mature an organisation's ICT management processes become, the closer ICT investments are aligned with the business and the more value is derived from those investments. The term "IT Governance" is increasingly being used to describe the processes that an organisation implements to ensure that its ICT investments generate business value and to mitigate the risks that are associated with ICT projects. Gartner has developed a 5 level capability maturity model for service and operations management as shown in the Figure below.



**Figure 1: Gartner Capability Maturity Model**

According to research from Gartner the vast majority of organisations' processes operate at either level 1 or level 2, with as little as 12% reaching level 3 and 1% operating at level 4.

As part of self-assessment, the ICT Department believes that while most of NRCS processes are operating at level 1, some are still at level 0. The resources being channelled towards IT related projects are meant for the organisation to reap the reward of ICT investment and operate between level 2 or 3, which is the short-term goal of the NRCS.

## h. ICT Governance

It is expected that through effective and responsible leadership, information technology will be used to sustain and extend the company's business strategy and corporate objectives. The first step towards better governance is to establish accountability. This requires an examination of the roles and responsibilities within the processes used for decision-making that can impact on the achievement of strategic goals.

The CEO provides leadership and delegate responsibility to the Senior Leadership to implement processes to leverage IT resources and drive alignment, deliver value, manage risk, optimise resources and manage performance. People who are accountable for good governance are responsible for making the changes, when necessary, to deliver the performance expected by the Business.

The ICT Department will implement an IT Controls Framework which comprises of accounting controls ("General" controls, "Application" controls and "User" controls) and administrative controls. General controls are found in the infrastructure, technology and system software. Application controls are specific to business processes. User controls are the manual controls relevant to staff members.

### *i. Management Responsibilities: ICT Steering Committee*

The CEO should specify the decision rights and accountability framework to encourage the desirable culture in the use of information technology. The established **ICT Steering Committee** with relevant representation from business and IT will assist with IT governance. The Audit and Risk Committee will assist the NRCS in carrying out the organisation's IT oversight.

### *i. Achieving the NRCS ICT Strategy*

The NRCS ICT strategy will be achieved through the provision of an enabling environment, allocation of a budget fit for the needs of the organisation and addressing IT agenda in the NRCS.

### *i. IT Business Continuity*

The IT Business continuity plan will serve as a roadmap for continuing operations under conditions such as a disaster or increase in business requirements.

The datacentre hosting the NRCS system was planned with growth in mind. The agility and flexibility of the system running on the hardware is geared for seamless expansion. This is achieved through the virtualization platform which allows for more resources to be provisioned without a need for a hardware upgrade. The IT department will implement systems to monitor resource utilization with warnings in place which enable planning for upgrade in time before resources are depleted.

### *ii. Implementation Plan (Roll out Plan)*

The Implementation plan is a management tool which will assist in achieving this strategy. The implementation plan will outline in detail the IT plans and matrix which will be monitored on a monthly basis through internal IT reporting. The Implementation Plan provides a prioritized list of activities that the IT Department will be doing for the financial year in question.

### *iii. The benefits of implementing IS/ICT solution for NRCS*

By adopting these strategic initiatives, ICT Department believes it can address key challenges outlined earlier. Specifically, the ICT Department believes that this strategy will result in:

- Appropriate ICT environment being available to the NRCS.
- Compliance with IT Governance as stated in the King III report on Corporate Governance.
- Compliance with all audits by Auditor General.
- The Organisation's information security stance being significantly improved.
- ICT Department staff having time to engage with the business, and research and introduce innovative solutions.
- Documentation of processes leading to less dependence/pressure on key individuals
- Reduced technological complexity.
- Improved involvement, understanding and ownership by Business Units of projects involving ICT.
- ICT department's annual Business/Project Plans being clearly linked to the overall strategic direction of the organization.

- improved income collection capability by implementing better systems (completeness of revenue).
- Better communication and more effective public relations through customer relations management systems.



## 17. Annexure B: Summary of Human Resources Strategy

In ensuring that the organization delivers on its mandate, the Human Resources Unit's role remains that of delivering the required human resource capacity to the organization.

### Functions of Human Resources Services

Focus Area	Functions
<b>Recruitment of competent employees</b>	<ul style="list-style-type: none"> <li>• Recruitment and selection of competent and skilled Human Resources for all NRCS departments and regions</li> <li>• Provide support to line departments during the recruitment and selection process</li> <li>• Provide recruitment services through partnership with accredited service providers to supply the required candidates with the right skills specific for NRCS</li> <li>• Conduct exit interviews to determine reasons for turn-over rate and implement corrective actions</li> </ul>
<b>Human Resource Management and Administrative Services</b>	<ul style="list-style-type: none"> <li>• Administration and management of employee information</li> <li>• Provide management information reporting</li> <li>• Policy development and implementation</li> </ul>
<b>Remuneration &amp; Benefits administration</b>	<ul style="list-style-type: none"> <li>• Develop remuneration and reward strategy in line with best practices</li> <li>• Develop and implement reward and recognition programmes aimed at attraction and retention of employees</li> <li>• Manage effective implementation of NRCS remuneration system</li> <li>• Administration of employees' benefits through effective and accurate payroll input system</li> </ul>
<b>Organisational Development and Transformation</b>	<ul style="list-style-type: none"> <li>• Efficiency management through business optimisation and continuous improvement.</li> <li>• Effective implementation and maintenance of the Performance Management system</li> <li>• Develop and implement a Change Management intervention to ensure effective implementation of NRCS strategic objectives</li> <li>• Organisational transformation through effective stakeholder management and communication</li> <li>• Job profiling and job grading to ensure standard remuneration practices for all jobs of equal value for equal pay</li> </ul>
<b>Learning and Development</b>	<ul style="list-style-type: none"> <li>• Tend to learning and development needs for NRCS</li> <li>• Development and implementation of training initiatives through the Work Place Skills plan and Competency Development Programmes to ensure capacity building to deliver on NRCS mandate</li> <li>• Manage and maintain training standards in line with statutory requirements</li> </ul>

Focus Area	Functions
Employee Relations	<ul style="list-style-type: none"> <li>• Facilitate outcome-based accredited learning programmes through accredited service providers</li> <li>• Develop and implement knowledge management governance structure and management tools</li> <li>• Induction and Orientation programmes to effectively induct new employees</li> <li>• Administration of the bursary system to ensure adequate skills supply</li> <li>• Render advisory services in terms of employer-employees' relations as governed by the various labour laws</li> <li>• Create a suitable labour environment for the NRCS to effectively carry out its mandate</li> <li>• Build sound labour relations within NRCS and with external stakeholders</li> <li>• Facilitate the grievances and Disciplinary processes to ensure correction of ineffective behaviours</li> <li>• Provide dispute resolution services</li> <li>• Undertake stakeholder management and effective communication</li> </ul>

## Situational analysis

Human Resources Division offering to the NRCS is largely administrative. The challenge is to move towards a highly geared team with the optimal leverage of operational and strategic levels. From a delivery perspective, business processes and technology play an integral role in the execution of an effective Human Resources strategy.

### *i. External Analysis*

The NRCS management recognises the economic, social and political environment (within South Africa) that exists and within which the NRCS operates. Factors with significant implications for the NRCS Human Resources management relate to the changing composition of the South African workforce, in terms of age, gender and racial distribution. The NRCS seeks to ensure that its workforce is a reflection of the South African population demographics, in line with governmental policies.

NRCS will continue to analyse and remove the systemic organisational barriers to designated groups' advancement and encourage diversity in all levels of the organisation. Programmes such as a new Employment Equity Plan and Employment Equity strategies become vital in ensuring a diverse workforce.

A comprehensive approach to personal and professional development is necessary so that the NRCS can create the career opportunities and reward structures that contribute to ongoing job satisfaction and, hence, retention.

## *ii. Internal environment*

Within NRCS, the Human Resources Unit is a centralised function that operates within a complex and dynamic framework where a range of external challenges intersect with the unique technical environment. Its role is to provide advice and support to business on Human Resources issues. Within this framework, effective Human Resources management processes that facilitate continual employees learning and development (creating a learning organisation), improve leadership capacity in the technical areas and encourage skills transfer between experienced and young technical employees are required. Such processes are central to the achievement of our intended outcomes and cultural change that enhances institutional equity and diversity, high morale, commitment, trust, willingness to embrace change and high productivity.

## **Culture; Organisation; People and Systems (COPS)**

Analysis of the internal environment includes culture; organization; people and systems. Also by looking at the current state of these dimensions that present the idealised state, our Human Resources programmes must be geared to addressing.

### *Culture and People*

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#### **The NRCS will create a culture based on the following:**

*Culture of collaboration and team work*

*Accountable and responsible officials*

*Culture of high performance*

*Leadership in management*

*Every idea counts – valuing of diversity of people and their ideas*

*Innovation is encouraged and recognised*

*Open, honest and consistent communication*

### **iii. Organisation**

The Organisation is being built on the following building blocks:

- Integrated workforce planning aligned to strategic business plans for all business units and Work study processes used to determine organisational people resources
- Organisational Structure is reviewed and signed off and displayed on the intranet for all employees to view
- Appropriate policies and standard operational procedures
- Role Clarity
- All jobs have job descriptions on the standard template and these are used as the basis for designing job adverts
- Matrix organisation as a management tool to be identified where it is utilised in the organisation and all employees in such a set up are informed about it and what is expected of them
- Bursary scheme to support the core skills requirements of NRCS and overall business objectives

## **Human Resources Strategic Framework**

The NRCS Human Resources operational policies, processes and procedures continuously evolve as the various elements of the Human Resources strategy are implemented. However, in order to successfully meet the new NRCS strategic Human Resources objectives, fundamental roles, responsibilities, processes and accountabilities require review and revision. The HR Strategy provides a transformational approach to realigning NRCS's organisation policies, people, process and technology to meet defined human resources demands.

### **Organisation and People**

- A business and customer-centric human resources strategy

- A new intergrated human resources service delivery business model
- Sound labour relations
- A revised human resources organisation structure
- Revised roles for human resources

#### **Human Resources Business Processes**

- Optimisation of human resources business processes to ensure organisational efficiency
- Integration of entire human resources value chain from human resources governance framework to service delivery

#### **Technology**

- Knowledge based systems
- Efficient use of the CR System as a human resources data base repository and employee and manager self-services tool

## 18. Annexure C: NRCS Communications plan

Target Market	Objective	Communications Platforms	Rationale/key messages
<b>Industry</b>	To inform and educate the industry about the rights and obligations in relation to the compulsory specifications	<ul style="list-style-type: none"> <li>• Industry meetings</li> <li>• Website</li> <li>• Industry publications</li> <li>• Media liaison activities, e.g. media statements, alerts and media briefings</li> </ul>	<ul style="list-style-type: none"> <li>• Compulsory specifications</li> <li>• Regulations</li> <li>• Amendments to the specs</li> <li>• NRCS Business info</li> <li>• General info</li> <li>• Communication with key strategic stakeholders</li> </ul>
<b>Staff</b>	Inform NRCS employees of the key programmes of the organisation	<ul style="list-style-type: none"> <li>• Intranet</li> <li>• Pop-up via NRCS IT facilities</li> <li>• Newsletter</li> <li>• Bulk-sms</li> <li>• Website</li> <li>• Email</li> <li>• Staff meeting</li> <li>• Notice board</li> <li>• Internal Communications Forum</li> <li>• Internal events</li> </ul>	
<b>Government Institution</b>	To educate NRCS strategic partners about the role of the organisation to improve working relations and co-operation	<ul style="list-style-type: none"> <li>• Information sharing sessions</li> <li>• Joint operational activities</li> <li>• Quarterly information sharing workshops</li> <li>• Website</li> <li>• Publication – Annual Reports, Strategic Plans</li> <li>• Meetings</li> </ul>	
<b>Consumers</b>	To inform and educate consumers about the role of the organisation	<ul style="list-style-type: none"> <li>• Mall Visit Campaigns</li> <li>• Information booklet</li> <li>• Community Meetings</li> </ul>	

		<ul style="list-style-type: none"> <li>• Exhibitions</li> <li>• Newspapers adverts</li> <li>• Billboards</li> <li>• Radio and television campaigns</li> <li>• Open day events</li> <li>• Metro bus branding</li> <li>• Social media campaigns</li> </ul>	
<b>Media</b>	To educate stakeholders about the role of the organisation	<ul style="list-style-type: none"> <li>• Media networking sessions</li> <li>• Media roadshows</li> <li>• One on one sessions with journalists</li> <li>• Press briefings</li> <li>• Distribution of media statements, alerts</li> <li>• Meeting with editors</li> <li>• Opinion letters</li> <li>• Contributing articles to magazines and newspapers</li> </ul>	<ul style="list-style-type: none"> <li>• Effective to communicate non-compliance</li> <li>• Popularise events and programmes of the NRCS</li> </ul>

## 19. Annexure D: Materiality Framework

### Significance level

#### Definition

Section 54(2) of the Public Finance Management Act, 1999, as amended states that –  
“Before a public entity concludes any of the following transactions, the Accounting Authority of the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for the approval of the transaction:

- Establishment or participation in the establishment of a company;
- Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
- Acquisition or disposal of a significant asset;
- Commencement or cessation of a significant business activity
- Significant change in the change or extent of its own interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.”

A transaction is significant if conducting the transaction is vitally important to fulfill the organization’s mandate and for the organisation to operate effectively.

Significance is larger than materiality as significant transactions may impact the organisation as a whole. The transaction may be material but not significant whereas all significant transactions are material.

### NRCS assessed level

The organisation will submit relevant particulars of the transactions to the CEO for approval of those transactions to be disclosed to treasury. In addition to the transactions listed above, the following transactions will be regarded as significant and will require full disclosure:

- Acquisition of assets exceeding the budgeted amount
- Reporting of the materiality framework



The materiality and significance framework will be updated annually as part of the strategic planning process and be included in the strategic plan.

## Framework of acceptable levels of materiality and significance

### Treasury Regulations

For purpose of “material [section 50(1), 55(2) and 66(1) (c) of the Act] and significant” [section 54(2) of the Act], the accounting authority must develop and agree on a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with external auditors”

	Material	NRCS Level for 2018/19
<b>Section 50</b>	<p>The accounting authority of a public entity must-</p> <p>(c) On request, disclose to the executive authority responsible for the public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way influence the decision or actions of the executive authority or that legislature.</p>	<p><b>Material amount: 0.85% of total revenue</b></p> <p><b>Quantitative – Any fact discovered which amount exceeds the above materiality figure. Any item or event for which specific disclosure is required by law. Any fact discovered of which its omission or misstatement in the entity’s opinion, could influence the decisions or actions of the executive authority or legislature.</b></p>
<b>Section 55</b>	<p>The annual report and financial statements must:</p> <p>Fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned.</p> <p>Include particulars of any material losses through criminal conduct and any irregular expenditure that occurred during the financial year.</p>	<p><b>Quantitative - Any losses through criminal conduct. Any losses through irregular / fruitless / wasteful expenditure</b></p> <p><b>Qualitative - Any item or event which specific disclosure is required by law. Any fact discovered of which its omission or misstatement in the entity’s opinion, could influence the decisions or actions of the executive authority or legislature.</b></p>
<b>Section 66 (1)</b>	<p>Any institute to which this Act apply may not borrow money or issue a guarantee in indemnity or security, or enter into any other transaction that bind or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transactions:</p>	<p><b>All non-compliance events / transactions will be disclosed.</b></p>

**Material**

**NRCS Level for 2018/19**

	Is authorised by this Act; and	
	In the case of public entities, is also authorised by other legislation not in conflict with this Act	
<b>Section 54(2)</b>	Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction-	Not applicable
	Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement	Not applicable
	Acquisition or disposal of a significant shareholding in a company	Any asset that would materially increase or decrease the operational function of the entity, outside the approved strategic plan and budgeted
	Acquisition or disposal of significant asset	
	Commencement or cessation of significant business activity	Not applicable

## 20. Annexure E: Summary of fraud and corruption

### Purpose of the Fraud and Corruption

The NRCS will not tolerate any level of fraud and corruption and is committed to zero tolerance to fraud and corruption. The NRCS aims to maintain high ethical standards and highest standard of prevention, detection and remediation of fraud and corruption. All NRCS employees (permanent and contracted employees) are expected to be responsible and accountable for ensuring compliance to this policy, effective fraud and corruption control and reporting of fraud and corruption where applicable.

### Objectives of this plan

The NRCS has adopted a clear, effective framework and approach to fraud prevention which encompasses controls that have the following objectives:

- **Prevention:** Ensuring that the risk of fraud, corruption and misconduct is prevented and or avoided in advance of occurrence
- **Detection:** Ensuring that the risk of fraud is discovered when it occurs and preventative measures are implemented to ensure that there is no repetition of the fraud
- **Response:** ensuring that corrective action is taken and the harm caused by fraud, corruption or misconduct is cured

To achieve its fraud prevention objectives, the NRCS will:

- Identify fraud risks and review and update the fraud prevention policy and strategy every 3 years.
- Provide fraud awareness training to all employees with particular emphasis on those employees who are considered to be in positions that require fraud awareness training
- Ensure all staff and stakeholders are aware of NRCS' initiatives of fighting fraud and combating corruption
- Encourage and promote professional and ethical business practice
- Aim to identify fraud through regular reviews of the NRCS business processes

- Clearly communicate how suspected instances of fraud may be reported
- Assign responsibility for instant response to the occurrence
- Investigate alleged or suspected instances of fraud and corruption using qualified personnel and professionals with experience in investigative techniques
- Take appropriate action to deal with instances of actual, suspected or alleged fraud and corruption including prosecution of persons and or organisations for fraud offences where and when appropriate
- Use all possible avenues to recover funds or property lost through fraudulent activity
- Ensure the interaction with the media in terms of reported and or alleged cases promptly
- Preserve evidence and report to the police.

### Principles of this policy

- Creating a culture which is intolerant to fraud and corruption;
- Deterrence of fraud and corruption;
- Preventing fraud and corruption which cannot be deterred;
- Detection of fraud and corruption
- Investigating detected fraud and corruption; and
- Taking appropriate action against fraudsters, for example, prosecution and/or disciplinary action.

### Definition of fraud and corruption

In South Africa, the Common Law offence of fraud is defined as “the unlawful and intentional making of a misrepresentation which causes actual and/or potential prejudice to another”. The term “fraud” is also used in a wider sense by the general public. In this regard, the term is used in this document in its widest possible meaning and is intended to include all aspects of economic crime and acts of dishonesty. In other words, fraud can be described as any conduct or behaviour of which a dishonest representation and/or appropriation forms an element. The general offence of corruption is contained in Section 3 of The Prevention and

Combating of Corrupt Activities Act. This section provides that any person who gives or accepts or agrees or offers to accept / receive any gratification from another person in order to influence such other person in a manner that amounts to:

- The illegal or unauthorised performance of such other person's powers, duties or functions;
- An abuse of authority, a breach of trust, or the violation of a legal duty or a set of rules;
- The achievement of an unjustified result; or
- Any other unauthorised or improper inducement to do or not to do anything.

Corruption in its wider meaning, and as referred to in this document, includes any conduct or behaviour where a person accepts, agrees or offers any gratification for him/her or for another person where the purpose is to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of duty.

#### **Forms of corruption**

Corruption takes various forms in society. The following are examples of different types of corruption.

**Bribery - Bribery** involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of NRCS's employee.

**Embezzlement** – This involves theft of resources by persons who control such resources.  
**Fraud-** Any conduct or behaviour of which a dishonest representation and/or appropriation forms an element

**Extortion** – Coercion of a person or entity to provide a benefit to an NRCS' employee, another person or an entity, in exchange for acting (or failing to act) in a particular manner

**Abuse of power** - The use by a NRCS's employee of his or her vested authority to improperly benefit another employee, person or entity (or using vested authority to improperly discriminate against another employee, person or entity).

**Conflict of interest** – The failure by an employee to act or to consciously fail to act on a matter where an employee has an interest or another person or entity that has some form of relationship with an employee has an interest.

**Abuse of privileged information** – This involves the use, by an employee, of privileged information and knowledge that an employee possesses as a result of his/ her office to provide unfair advantage to another person or entity to obtain a benefit.

**Favouritism** – The provision of services or resources according to personal affiliation (for example cultural or religious) of an employee.

**Nepotism** - An employee ensuring that family members, associates or friends are appointed to a particular position within NRCS or that family members or associates receive contracts from NRCS

These manifestations are by no means exhaustive as corruption appears in many forms and it is virtually impossible to list all of these.

## Roles and responsibilities

NRCS's management is responsible for internal control including fraud control and corruption prevention. All NRCS employees are responsible to keep NRCS free from fraud and corruption and to refrain from engaging in fraudulent or corrupt behaviour.

**This is achieved by:**

- maintaining the highest standard of personal and professional ethics in accordance with the NRCS Code of Conduct;
- maintaining awareness of the potential for fraud and corruption; and
- promptly reporting any instances of fraud and corruption to management and/or nominated officers who all have a duty to properly deal with such information.

**Roles and responsibilities are defined as:**

Responsibility: Chief Executive Officer as the Accounting Officer is legally obliged under PFMA to report, and will report, all instances of fraud to the Department of Trade and

Industry (the dti) and the Auditor General. Where evidence is assessed as giving a reasonable belief that a serious criminal offence has occurred, the CEO is compelled by Criminal Procedure Act to forward the necessary information for further investigation and/or prosecution to South African Police Services and/or The National Director of Prosecutions.

## 21. Annexure F: Indicator Profiles

**Strategic Goal 1: To develop, maintain and administer compulsory specifications and technical regulations**

<p><b>1. Indicator title</b></p>	<p>Number of Compulsory Specifications (VCs) or Technical Regulations (TRs) approved by the CEO for submission ( to the dti for publication in the Government Gazette.</p>
<p><b>2. Short definition</b></p>	<p>The CEO of the NRCS recommends to the Minister of Trade and Industry, the introduction of new, amendment or withdrawal of existing VCs or Technical Regulations, in terms of Section 13 (1) of the NRCS Act, 2008 (Act 5 of 2008) as amended by the Legal Metrology Act, 2014 ( Act 9 of 2014) and Section 15 (1) of the Legal Metrology Act, 2014.</p> <p>The indicator therefore measures the number of such recommendations made to the Minister for either publication of VCs/TRs in the Government <i>Gazette</i> for public comments (1st <i>Gazettes</i>) or as a final <i>Gazette</i> (2<sup>nd</sup> <i>Gazette</i>) within the financial year.</p> <p>The submission of proposals to introduce new, amend or withdraw existing VCs/TRs to the Minister is preceded by feasibility, risk and impact assessment as outlined in the NRCS's corporate procedure CSP 350, <i>the procedure to develop and amend Compulsory Specifications and Technical Regulations</i>. The CSP 350 is designed to demonstrate that due-diligence was undertaken by the Regulator before the recommendation to introduce/amend/withdraw VCs/TR due to their potential negative impacts on trade, investment and small businesses.</p>
<p><b>3. Purpose/importance</b></p>	<p>Indicates that the NRCS continuously reviews and appropriately respond to evolving risks to public health and safety, environmental protection and fair trade that may be posed by regulated products. It further demonstrates the extent to which the NRCS is able to develop interventions to address emerging product risks; matters affecting industry conduct and consumer protection; and to keep its VCs/TRs in step with technological innovation and in accordance with the needs in the market.</p> <p>Indicates the productiveness of the NRCS in terms of developing, reviewing and updating of compulsory</p>



	specifications or technical regulations, for technical and administrative requirements as well as extension of the scope of the NRCS into new areas of product regulation
<b>4. Alternative indicator</b>	N/A
<b>5. Potential other uses of indicator</b>	N/A
<b>6. Source/collection of data</b>	<p>NRCS Technical Committee minutes with a recommendation for the CEO to approve the proposal to introduce new, amend or withdraw existing VCs/TRs.</p> <p>A letter to the Dept. of Trade and Industry signed by the CEO of the NRCS recommending to the Minister, the publication of a new or the amendment or withdrawal of a VC/TR for either 1<sup>st</sup> or 2<sup>nd</sup> <i>Gazetting</i>.</p> <p>Confirmation of receipt by the dti of the recommendation to publish a VC/TR for either 1<sup>st</sup> or 2<sup>nd</sup> <i>Gazetting</i>.</p>
<b>7. Lead/ coordinating agency</b>	Regulatory Research and Development Division
<b>8. Method of calculation</b>	Simple count addition of the different compulsory specifications or technical regulations
<b>9. Baseline</b>	2017/18 projected performance
<b>10. Target and target date for the indicator</b>	12 Compulsory Specifications/ Technical Regulations approved by CEO for submission to the Department of Trade and industry for publication in the Government Gazette.
<b>11. Data limitations</b>	Nil
<b>12. Quality assurance strategy</b>	CSP 350 corporate procedure must be adhered to.
<b>13. Type of indicator</b>	Output
<b>14. Calculation type</b>	Total for the financial year
<b>15. Reporting cycle</b>	Quarterly cumulative reporting
<b>16. New indicator</b>	Old indicator
<b>17. Desired performance</b>	12 Compulsory Specifications / Technical Regulations approved by CEO for submission to the Department of Trade and industry for publication in the Government Gazette.
<b>18. Indicator responsibility</b>	RRD General Manager

**Goal 2: To maximise compliance with all specifications and technical regulations**

Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units.

<b>1. Indicator title</b>	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units
<b>2. Short definition</b>	The number of inspections carried out to determine, whether any or all of the requirements of a compulsory specification are met, by sampling regulated products on the market and examining them against the relevant compulsory specification.
<b>3. Purpose/importance</b>	Determines compliance to requirements of compulsory specifications.
<b>4. Alternative indicator</b>	Compliance rate
<b>5. Potential other uses of indicator</b>	Can be used to determine the degree of market coverage amongst other things
<b>6. Source/collection of data</b>	Manual Inspection Records or CRM Inspection Electronic records
<b>7. Lead/ coordinating agency</b>	Automotive, CMM, Electro-technical and Legal Metrology
<b>8. Method of calculation</b>	Counting and adding the number of inspections per inspector in a given cycle
<b>9. Baseline</b>	<b>2017/18 projected performance</b>
<b>10. Target and target date for the indicator</b>	<b>20 430 Inspections conducted by 31 March 2019</b> Automotive - 4000, Chemicals Materials and Mechanicals (CMM) – 5 200, Electro-technical - 4000 and legal Metrology business units – 4 800.
<b>11. Data limitations</b>	No limitations although data relies on integrity of inspectors
<b>12. Quality assurance strategy</b>	Inspections are conducted in accordance with departmental procedures and inspectorate functions are accredited to

	SANS 17020 with rigorous periodic audits by both internal and external auditors.
<b>13. Type of indicator</b>	Outputs and activities
<b>14. Calculation type</b>	Cumulative over a year
<b>15. Reporting cycle</b>	Quarterly
<b>16. New indicator</b>	Old Indicator
<b>17. Desired performance</b>	Higher levels of attainment are desirable since this indicates the frequency of the regulator's presence on the market
<b>18. Indicator responsibility</b>	Divisional General Managers

### Locally Produced Fisheries

<b>1. Indicator title</b>	<b>Percentage of inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures</b>
<b>2. Short definition</b>	% Number of inspections conducted on consignments or productions of canned fish, canned meat in accordance with the compulsory specification, divisional procedures and applicable legislation. A production consists of packages/containers of various quantities of a specific product with a specific production code.
<b>3. Purpose/importance</b>	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying products.
<b>4. Alternative indicator</b>	The number of inspections is dependent on production volumes.
<b>5. Potential other uses of indicator</b>	To establish trends over a period of time to assist with the target setting process for future business plans and to plan for adequate resources in the future.
<b>6. Source/collection of data</b>	The source of this data is inspection reports or CRM electronically captured inspection report
<b>7. Lead/ coordinating agency</b>	Food and Associated Industries.
<b>8. Method of calculation</b>	Percentage of Number of productions or consignments inspected as a percentage of number of productions or consignments declared by the importer or producer
<b>9. Baseline</b>	2017/18 projected performance
<b>10. Target and target date for the indicator</b>	100% of inspections conducted on all declared canned fishery and meat products by end of financial year
<b>11. Data limitations</b>	Limitation of manually recording data is availability and instant processing of data when urgently required. Creation of paper work which requires a big storage place.
<b>12. Quality assurance strategy</b>	Ensure traceability of all information from the original data collected. Conduct bi-annual internal Quality System audits and annual SANAS audits.
<b>13. Type of indicator</b>	Output indicator
<b>14. Calculation type</b>	Calculated in number of inspections conducted for locally produced productions of canned fish and meat over one financial year period.
<b>15. New indicator</b>	Old Indicator
<b>16. Reporting cycle</b>	On monthly ,quarterly and annual basis reports are generated
<b>17. Desired performance</b>	To inspect all productions of canned fish and meat produced in South Africa.
<b>18. Indicator responsibility</b>	The General Manager of the Division.

**Strategic Goal 2: To maximise compliance with all specifications and technical regulations**

<b>1. Indicator title</b>	Number of inspections conducted on locally produced Frozen products and fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures
<b>2. Short definition</b>	Number of inspections conducted on locally produced Frozen products and fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures.
<b>3. Purpose/importance</b>	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying facilities.
<b>4. Alternative indicator</b>	Could use percentage of inspection conducted as per documented predetermined schedule for facility inspection.
<b>5. Potential other uses of indicator</b>	To establish trends over a period of time to assist with the target setting process for future business plans and to plan for adequate resources in the future.
<b>6. Source/collection of data</b>	The information is based on the actual number of registered facilities at a given time and the source document is the Manual Inspection form or the Electronic CRM inspection report
<b>7. Lead/ coordinating agency</b>	Food and Associated Industries.
<b>8. Method of calculation</b>	Number of inspections conducted.
<b>9. Baseline</b>	Projection 2017/18 projected performance
<b>10. Target and target date for the indicator</b>	2 050 inspections
<b>11. Data limitations</b>	Limitation of manually recording data is availability and instant processing of data when urgently required. Creation of paper work which requires a big storage place.
<b>12. Quality assurance strategy</b>	Ensure traceability of all information from the original data collected. Bi-annual Quality System internal audits and SANAS audits.
<b>13. Type of indicator</b>	Output indicator
<b>14. Calculation type</b>	Calculated in number of inspections conducted over one financial year period.
<b>15. Reporting cycle</b>	On monthly ,quarterly and annual basis reports are generated
<b>16. New indicator</b>	Old Indicator
<b>17. Desired performance</b>	All inspections conducted as per forecasted number of facility inspections.
<b>18. Indicator responsibility</b>	The General Manager of the Division.

### Percentage of Approvals Issued within 120 calendar days

<b>1. Indicator title</b>	100% of all approval applications processed within 120 calendar days
<b>2. Short definition</b>	Number of calendar days to process approvals from the date the full application is received by the NRCS to the date approved or rejected. That is from the date the full application plus the non-refundable fee has been received to the date the approval is granted.
<b>3. Purpose/importance</b>	To provide for pre-market approval of products destined for the South African Market
<b>4. Alternative indicator</b>	Nil
<b>5. Potential other uses of indicator</b>	To provide non-compliance rate of products destined for the local market
<b>6. Source/collection of data</b>	<ul style="list-style-type: none"> <li>• CRM system</li> <li>• LOA databases</li> <li>• Approvals Databases</li> </ul>
<b>7. Lead/ coordinating agency</b>	Automotive, CMM, Electro-technical and Legal Metrology
<b>8. Method of calculation</b>	Manual Counting
<b>9. Baseline</b>	2017/18 Projections
<b>10. Target and target date for the indicator</b>	100% of all approval applications processed within 120 calendar days
<b>11. Data limitations</b>	Nil
<b>12. Quality assurance strategy</b>	NRCS Quality manual
<b>13. Type of indicator</b>	Output indicator
<b>14. Calculation type</b>	Manual Count
<b>15. New indicator</b>	Old Indicator
<b>16. Reporting cycle</b>	On monthly, quarterly and annual basis reports are generated
<b>17. Desired performance</b>	Decrease in non-compliance rate
<b>18. Indicator responsibility</b>	The General Managers

### Number of days to process approvals for Gaming Equipment

<b>1. Indicator title</b>	Percentage of gaming approval applications processed within the set timeframes
<b>2. Short definition</b>	Number of calendar days to process gaming equipment approvals from the date the full application is received by the NRCS to the date approved or rejected. That is from the date the full application plus the non-refundable fee has been received to the date the approval is granted.
<b>3. Purpose/importance</b>	To provide for pre-market approval of products destined for the South African Market
<b>4. Alternative indicator</b>	Nil
<b>5. Potential other uses of indicator</b>	To provide non-compliance rate of products destined for the local market
<b>6. Source/collection of data</b>	<ul style="list-style-type: none"> <li>• CRM system</li> <li>• LOC Approvals Database</li> </ul>
<b>7. Lead/ coordinating agency</b>	Legal Metrology
<b>8. Method of calculation</b>	Manual Counting
<b>9. Baseline</b>	100% of all applications processed within 30 calendar days
<b>10. Target and target date for the indicator</b>	100% of all applications processed within 30 calendar days
<b>11. Data limitations</b>	Nil
<b>12. Quality assurance strategy</b>	NRCS Quality manual
<b>13. Type of indicator</b>	Output indicator
<b>14. Calculation type</b>	Manual Count
<b>15. New indicator</b>	Old Indicator
<b>16. Reporting cycle</b>	On monthly, quarterly and annual basis reports are generated
<b>17. Desired performance</b>	Decrease in non-compliance rate
<b>18. Indicator responsibility</b>	General Manager Legal Metrology

**Strategic Goal 3: To inform and educate our stakeholders about the NRCS**

<b>1. Indicator title</b>	Number of stakeholder consumer education events or campaigns
<b>2. Short definition</b>	Consumer educational events or campaigns are designed to disseminate information to the general public that utilises the Regulated commodities. This is an initiative to create a platform for the South African citizens to notify NRCS of non-compliant products that may be on the market.
<b>3. Purpose/importance</b>	The Indicator is used to measure the rate at which NRCS is disseminating information to the general public
<b>4. Alternative indicator</b>	Could use the percentage reduction in non-compliance
<b>5. Potential other uses of indicator</b>	To establish the impact of the work of the NRCS
<b>6. Source/collection of data</b>	Attendance registers and proof of attendance by stakeholders
<b>7. Lead/ coordinating agency</b>	Marketing and Communications
<b>8. Method of calculation</b>	Manual count number of stakeholder consumer awareness campaigns.
<b>9. Baseline</b>	2017/18 financial year projected achievement
<b>10. Target and target date for the indicator</b>	14 NRCS consumer education events or campaigns
<b>11. Data limitations</b>	None
<b>12. Quality assurance strategy</b>	NRCS Communications strategy
<b>13. Type of indicator</b>	Output Based Indicator
<b>14. Calculation type</b>	Manual simple count.
<b>15. New indicator</b>	Old Indicator
<b>16. Reporting cycle</b>	Quarterly Cumulative
<b>17. Desired performance</b>	Increase in the Awareness of NRCS activities
<b>18. Indicator responsibility</b>	Head Communications and Marketing.



**Strategic Goal 4; To ensure an optimally capacitated institution**

<b>1. Indicator title</b>	Percentage (%) of vacancies. Vacancy rate of approved and funded posts
<b>2. Short definition</b>	The percentage number of vacant funded positions on the structure as a percentage of total number of the approved positions on the NRCS organizational structure
<b>3. Purpose/importance</b>	The Indicator is used to measure efficiency in NRCS recruitment and ensure NRCS is a capacitated organization
<b>4. Alternative indicator</b>	None
<b>5. Potential other uses of indicator</b>	To identify if NRCS has sufficient capacity to execute its mandate
<b>6. Source/collection of data</b>	Approved organizational structure, NRCS signoff budget and the employee database
<b>7. Lead/ coordinating agency</b>	Human Resources Unit
<b>8. Method of calculation</b>	Percentage
<b>9. Baseline</b>	2017/18 financial year projected achievement
<b>10. Target and target date for the indicator</b>	6% vacancy rate
<b>11. Data limitations</b>	None
<b>12. Quality assurance strategy</b>	NRCS policies and procedures
<b>13. Type of indicator</b>	Output Based Indicator
<b>14. Calculation type</b>	Manual simple count.
<b>15. New indicator</b>	Old Indicator
<b>16. Reporting cycle</b>	Quarterly cumulative
<b>17. Desired performance</b>	0% vacancy rate or less
<b>18. Indicator responsibility</b>	Head Human Resources

**Strategic Goal 4; To ensure an optimally capacitated institution**

<b>1. Indicator title</b>	% implementation of ICT Master System Plan
<b>2. Short definition</b>	NRCS to ensure that the NRCS has the requisite ICT infrastructure which supports business operations.
<b>3. Purpose/importance</b>	The Indicator is used to measure whether the NRCS has adequate IT infrastructure and resources that will ensure that it becomes efficient and move away from paper-based processes to automation
<b>4. Alternative indicator</b>	None
<b>5. Potential other uses of indicator</b>	To establish the impact of automation of NRCS systems and processes
<b>6. Source/collection of data</b>	Availability of the approved documents
<b>7. Lead/ coordinating agency</b>	ICT Unit
<b>8. Method of calculation</b>	Verify the availability and/or existence of the approved document
<b>9. Baseline</b>	None. This is a new indicator
<b>10. Target and target date for the indicator</b>	100% implementation of ICT Master System Plan
<b>11. Data limitations</b>	None
<b>12. Quality assurance strategy</b>	Quality and service delivery is per the NRCS ICT Policies
<b>13. Type of indicator</b>	Output Based Indicator
<b>14. Calculation type</b>	Manual simple count.
<b>15. New indicator</b>	Yes
<b>16. Reporting cycle</b>	Quarterly cumulative average
<b>17. Desired performance</b>	Approved document in place and implementable
<b>18. Indicator responsibility</b>	Head: ICT