



**SOUTH AFRICAN DIAMOND AND
PRECIOUS METALS REGULATOR**

**SOUTH AFRICAN DIAMOND AND PRECIUOS
METALS REGULATOR**

ADJUSTED STRATEGIC PLAN

2020-2025

ACRONYMS	PAGE 4
ACCOUNTING OFFICER STATEMENT	PAGE 5
OFFICIAL SIGN OFF	PAGE 6
PART A: OUR MANDATE	
1. CONSTITUTIONAL MANDATE	PAGE 7
2. LEGISLATIVE AND POLICY MANDATE	PAGE 7
3. RELEVANT COURT RULINGS	PAGE 8
PART B: OUR STRATEGIC FOCUS	
1. VISION	PAGE 9
2. MISSION	PAGE 9
3. VALUES	PAGE 9
4. SITUATIONAL ANALYSIS	PAGE 10
4.1 POLITICAL FACTOR	PAGE 10
4.2 ECONOMIC FACTORS	PAGE 11
4.3 SOCIAL FACTORS	PAGE 12
4.4 LEGAL FACTOR	PAGE 12
4.5 ENVIRONMENTAL FACTORS	PAGE 13
4.6 TECHNOLOGICAL FACTORS	PAGE 13
5. SWOT ANALYSIS	PAGE 14
5.1 STRENGTHS	PAGE 14
5.2 WEAKNESSES	PAGE 14
5.3 OPPORTUNITIES	PAGE 14
5.4 THREATS	PAGE 15
PART C: MEASURING OUR PERFORMANCE	
1. PROGRAMME 1: ADMINISTRATION (FINANCE, COOPERATE SERVICES, SECURITY SERVICES AND LEGAL SERVICES	PAGE 16
1.1 MEASURING IMPACT	PAGE 16
1.2 MEASURING OUTCOMES	PAGE 16
1.3 EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD	PAGE 18
1.4 KEY RISKS	PAGE 22
1. PROGRAMME 2: DIAMOND TRADE (DIAMOND EXCHANGE AND EXPORT CENTRE AND GOVERNMENT DIAMOND VALUATION)	PAGE 49
1.1 MEASURING IMPACT	PAGE 49
1.2 MEASURING OUTCOMES	PAGE 49

1.3 EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD	PAGE 50
1.4 KEY RISKS	PAGE 51

1. PROGRAMME 3: REGULATORY COMPLIANCE (LICENSING, DIAMOND INSPECTORATE AND BENEFICIATION, PRECIOUS METALS INSPECTORATE AND BENEFICIATION AND TRANSFORMATION UNIT)	PAGE 58
1.1 MEASURING IMPACT	PAGE 58
1.2 MEASURING OUTCOMES	PAGE 58
1.3 EXPLANATION OF PLANNED PERFORMANCE OVER THE FIVE-YEAR PLANNING PERIOD	PAGE 59
1.4 KEY RISKS	PAGE 60

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

PROGRAMME 1:

1. FINANCE.....	PAGE 22
2. HUMAN RESOURCE MANAGEMENT	PAGE 25
3. COMMUNICATIONS AND MARKETING	PAGE 33
4. INFORMATION COMMUNICATION TECHNOLOGY (ICT)	PAGE 37
5. SECURITY RISK MANAGEMENT	PAGE 40
6. LEGAL SERVICES	PAGE 45

PROGRAMME 2:

1. GOVERNMENT DIAMOND VALUATION	PAGE 52
2. DIAMOND EXCHANGE AND EXPORT CENTRE	PAGE 55

PROGRAMME 3:

1. LICENSING	PAGE 61
2. DIAMOND INSPECTORATE AND BENEFICIATION	PAGE 63
3. PRECIOUS METALS INSPECTORATE AND BENEFICIATION ..	PAGE 65
4. TRANSFORMATION UNIT	PAGE 66

ACRONYMS

- APP : Annual Performance Plan
- BBSEEC : Broad-Based Socio-Economic Empowerment Charter
- CEO : Chief Executive Officer
- DMR : Department of Mineral Resources
- DEEC : Diamond Exchange and Export Centre
- GDV : Government Diamond Valuator
- HR : Human Resource
- ICT : Information Communication Technology
- KPCS : Kimberley Process Certification Scheme
- MISS : Minimum Information Security Standards
- MSP : Master Systems Plan
- MPSS : Minimum Physical Security Standards
- NVS : National Vetting Strategy
- OHSA : Occupational Health and Safety Act
- PFMA : Public Finance Management Act
- PGM : Platinum Group Metal
- PM : Precious Metals
- PMDS : Performance Management and Development System
- PPPFA : Preferential Procurement Policy Framework Act
- SADPMR : South African Diamond and Precious Metals (Also referred to as the Regulator)

ACCOUNTING OFFICER STATEMENT

It is a great honour to present the five-year Strategic Plan for 2018-2022 of the South African Diamond Precious Metals Regulator (SADPMR). This plan is informed by the Five Priority Areas of the Government, the Medium-Term Strategic Framework (MTSF) the Twelve Strategic Outcomes as well as the National Development Plan (NDP), to which all Government Departments and State-Owned Entities must subscribe to and act upon.

The Strategic Plan is the result of extensive and long deliberations within the SADPMR and is in accordance with the Revised Framework for Strategic Plans and Annual Performance Plans prescribed by the National Treasury. The Performance Plan has three budget programmes:

- Programme 1: Administration
- Programme 2: Diamond Trade
- Programme 3: Regulatory Compliance

These three programmes are aligned to the activities of the SADPMR as outlined in the Estimates of National Expenditure (ENE).

Following the Cabinet decision to approve the NDP, the SADPMR had to align its strategic objectives to that of the NDP. The Strategic Plan also embodies the priorities of the Minister of Mineral Resources and Energy, the Board and management of the SADPMR. We appreciate the invaluable feedback received during the strategic planning process

In this Performance Plan, we have provided a high-level overview of how we will focus our efforts in carrying out the SADPMR mission. We will continue to build on the achievements of the previous strategic plans and constantly evaluate our strategies to ensure their relevance and effectiveness. The annual business planning process driven by comprehensive performance metrics will complement this five-year Performance Plan, focussing our efforts and enabling us to meet the needs of our stakeholders as priorities shift over time.

It is the responsibility of the SADPMR, in partnership with stakeholders and the industry at large, to ensure the diamond and precious metals sectors thrive in these difficult times.



CHIEF EXECUTIVE OFFICER

MR CECIL KHOSA

OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

Was developed by management of the South African Diamond and Precious Metals Regulator. The Strategic Plan considers all the relevant policies, legislation and other mandates which the SADPMR is responsible for. The Strategic Plan accurately reflects the Impact, Outcomes and Outputs which the SADPMR will endeavour to achieve during 2020/2025.

Signature: -----


24/02/2020

General Manager: Corporate Services

Signature: -----


24/02/2020

General Manager: Legal Services

Signature: -----

24/02/2020

General Manager: Diamond Trade

Signature: ^{P.P.} -----


24/02/2020

General Manager: Regulatory Compliance

Signature: -----

24/02/2020

Chief Financial Officer

Signature: ^{P.P.} -----

24/02/2020

Company Secretary

Signature: -----

28/02/2020

Accounting Officer

PART A: OUR MANDATE

1. Constitutional Mandate

The SADPMR as a public entity is established in terms of the Diamond Act 1986 as amended and is legislatively mandated to regulate the downstream diamond and precious metals industries in South Africa.

In doing so, the SADPMR promotes and implements the constitutional right to freedom of trade, occupation or profession freely in terms of Section 22 of the Constitution of the South Africa.

Furthermore, the SADPMR's administrative processes adhere to the right of Just Administrative Action in terms of Section 33 of The Promotion of Administrative Justice Act, when processing and issuing licenses/ permits to applicants. As the holder of private information of citizens, in terms of Section 32 of Access to Information the SADPMR adheres to license/permit holder's information.

The SADPMR when issuing licenses/permits is legislatively mandated to implement the provisions of the Mining Charter which promotes transformation imperatives in terms of the Limitation of Rights as described in Section 36 of the Constitution.

2. Legislative and Policy Mandate

The SADPMR was established in terms of the Diamonds Act 56 of 1986 (as amended). The SADPMR derives its mandate from the Diamonds Act and the Precious Metals Act 37 of 2005, which mandate is to:

1. Ensure that the diamonds and Precious Metals of the Republic are exploited and developed in the best interests of the people of South Africa;
2. To promote the sound development of diamond and Precious Metals undertakings in the Republic;
3. To implement, administer and control all matters relating to the purchase, sale, beneficiation, import and export of Diamonds and Precious Metals of the Republic

SADPMR is a Schedule 3A Public Entity in terms of the Public Finance Management Act, 1999 (Act No.1 of 1999). It was established in terms of Section 3 of the Diamond Act, 1986(Act No. 56 of 1986) as amended.

3. Updates to Relevant Court Rulings

Mineral Council of South Africa v/s Minister of Minerals Resources and Energy and South African Diamonds and Precious Metals Regulator.

The Mineral Council of South Africa (MCSA) has recently brought a review application against the DMRE and the SADPMR. The review application seeks to challenge certain clauses in the Mining Charter 2018, which clauses are viewed by MCSA to be inconsistent with the Constitution. The DMRE and the SADPMR are opposing the said application by the MCSA. It should however be noted that the matter is still sub-judice.

PART B: OUR STRATEGIC FOCUS

1. Vision

To make diamonds and precious metals synonymous with South Africa.

2. Mission

To regulate and promote the diamonds and precious metals industries in the best interests of the people of South Africa by:

- 2.1 Transforming the downstream diamond and precious metals industries;
- 2.2 Ensuring equitable access to diamonds and precious metals resources;
- 2.3 Promoting local beneficiation of diamonds and precious metals;
- 2.4 Collaborating with the industry and other stakeholders;
- 2.5 Identify initiatives that will develop and support black industrialists;
- 2.6 Enforce compliance with legislation .
- 2.7 Advance intra- Africa trade
- 2.8 Promoting business development support and growth;
- 2.9 Supporting skills development in the diamond and precious metals' industries;
- 2.10 Promoting and marketing of diamonds and precious metals;
- 2.11 Research and development.

3. Values

- 3.1 Ethical Culture
- 3.2 Service Culture
- 3.3 Transparency
- 3.4 Teamwork
- 3.5 Respect
- 3.6 Integrity
- 3.7 Consistency

4. Situational Analysis

4.1 Political Factor

South Africa remains the only African country that is a member of Global 20 (G20), this status has paved ways for the country to influence global political agenda. The economic structures such as Brazil, Russian Federation, India, the Peoples' Republic of China and South Africa (BRICS) also created a good platform for promotion of national interest and setting the economic agenda.

South Africa is dedicated to African unity and integration within the framework of the Constitutive Act of the African Union (AU). This includes the strengthening of continental institutions, which are critical in responding to the challenges of poverty, underdevelopment, lack of security and instability on the continent.

As a member of AU, South Africa will remain aligned to the initiatives of the Africa Mining Vision. The country is committed to ensuring that the extraction and processing of its raw materials benefit the workers and communities. The country further ensures that sustainable jobs and entrepreneurs are created within the mining industry, with HDP's particularly women and youth.

South Africa remains a member African Diamond Producers Association (ADPA). ADPA promotes the production and trade of diamonds within Africa. It also promotes the development of policies in the diamond sector in member countries that would facilitate investments and sustainable development. Furthermore, it promotes the improvement of policies for the diamond sector, considering the need to harmonize the policies based on the formalization of the artisanal, small-scale, semi-industrial and industrial sectors. As a member, South Africa has an opportunity to strengthen regional corporation by playing an important role in promoting trade in diamonds.

South Africa continues to influence the global community in combating illicit trade in the precious metals value chain. South Africa is leading the team of researchers who are tasked to provide strategic interventions in fighting illicit trade in precious metals. The team presented its first report to United Nations Interregional Crime and Justice Research Institute (UNICRI).

3.2 Economic Factors

South Africa is one of the world's richest countries in terms of mineral reserves. This is mainly due to the fact that it remains the largest producer of platinum, chrome and manganese. The country is reported to own at least 80 per cent of the world's known manganese reserves (SA Mineral Industry Report, 2015). South Africa's mineral resources remain an integral part of its economy and enhances the country's global competitiveness.

Africa is the world's richest regional trading bloc; however the level of internal trade is lower compared to the external trade. African Continental Free Trade Area (AfCFTA) agreement will create a single market for goods, services and movement of persons which will increase intra-African trade and deepen African economic integration. The AfCFTA agreement is going to open new trade opportunities among African states as anticipated that African firms will become bigger, more specialised, and more competitive internationally. For this agreement to be successful, there is a need to change some protocols and economic policies in the continent.

The opening of the New Development Bank (NDB) bank in South Africa has assisted in increasing the number of major financial lending institutions. This has also increased access to loans by local companies. This is allowing companies to obtain financial support without stringent requirements. The investment commitments made by a number of companies who pledged to invest in capital project is the positive results from Presidential investment summit. These commitments will translate to investment during implementation phase.

South Africa's interventions in investment and socio-economic development is underpinned by the National Development Plan. There is a framework for Special Economic Zones (SEZ) that allows for targeted incentives, logistics improvements and active partnerships between business, municipalities and development agencies. These incentives present opportunities for both the local and international investors to partner with the Government and take the South African economy forward.

The increased presence of synthetic diamonds in the market and its proliferation has the potential of reducing the true value of rough diamonds in the eyes of traditional consumers. A passionate call made to those trading in synthetic diamonds to fully comply with ideals of full disclosure, transparency, openness and accountability should be followed by

establishment of effective monitoring and control mechanisms in the diamond trade. South Africa like other diamond producing countries, is challenged by the risk of non-disclosure. South Africa has developed a strategy in response to the increased production of synthetic diamonds entering the market.

The decline in global economic growth in markets has sent ripple effects throughout the developing economies. South Africa is no exception with it experiencing a technical recession in 2017, which has had an adverse effect on the diamond and precious metals industries.

Though South Africa recorded increase in diamond production has not translated into an increase in diamonds beneficiated in the country. This can be attributed to the fact that rough and polish margins are very tight and high demand of rough diamond from foreign markets.

4.3 Social Factors

South Africa has recorded an increased unemployment rate which is currently standing at 29% compared to the 27% recorded in the second quarter of 2018 (STATS SA report, 2018 and 2019). The recent retrenchments in the mining sector further contributes to this challenge. The SADPMR will be embarking on a collaboration initiative with funding agencies to assist new and skilled entrants in the diamonds and precious metals industries (Small Enterprise Development Agency, Department of Small Business Development, and the Department of Trade and Industry).

Social media has now become an essential component to global socialisation. It has become an instrument that can be used to influence and shape a way of thinking. It stimulates civil participation in government policies and issues, where plans, opinions and initiatives can be started through social media. The SADPMR has aligned itself with this growing trend in bridging the gap of awareness in South Africa.

4.4 Legal Factors

The Mining Charter was developed in terms of Section 100 of the Mineral and Petroleum Resources Development Act (MPRDA), Act No. 28 of 2002 with the aim of transforming the mining industry. The finalisation of Mining Charter III provides emphasis on transformation of the industry and ensures meaningful participation for HDP's, particularly women and youth. This Charter further clarifies the implementation of the elements to be satisfied.

The National Beneficiation Strategy remains a solid policy of government, which has inspired other countries to follow suite. The Diamonds Act, 1986 as amended and Precious Metals Acts 2005 continue to provide an example of a well-functioning regulatory regime to other developing African and South American economies. However, there are challenges encountered in implementing the legislation. The SADPMR in conjunction with the DMR will embark in the process of amending these two pieces of legislation, once the amendments to the MPRDA have been finalized.

4.5 Environmental Factors

The diamond and precious metals industry by its nature contribute to air emissions and hazardous waste through smelting, refining and processing, which contributes to environmental degradation. The SADPMR requires the applicant to comply with National Environment Management Act (NEMA), 1998 in tandem with the NEMA authority's implementation.

In July 2019 the Carbon Tax Act, Act 15 of 2019 was implemented to meet South Africa's commitments of the Paris Agreement on Climate Change by holding business accountable for their carbon emissions and greenhouse gases.

4.6 Technological Factors

Technological advancements have led to the development of lab grown diamonds, which are a competitive threat to natural diamonds. South Africa is ranked in the top 10 diamond producing countries. This has resulted in the SADPMR investing in synthetic diamond detection technology to protect the integrity of South African diamond trade. The increased use of high-tech equipment in the industry has the unintended consequences of job losses.

5. SWOT ANALYSIS

5.1 Strengths of the SADPMR

5.1.1 Skilled and Experienced Staff

The SADPMR continues to invest in specialised skills in ensuring sustainable service delivery. The organisation came up with cost effective initiatives of training and developing (on the job training and in-house training) its employees with the aim of improving skills and knowledge. The retention rate of the Regulator has been the same for the past years.

5.2 Weaknesses of the SADPMR

5.2.1 Lack of awareness of the SADPMR

The SADPMR needs to increase its visibility and involvement locally and globally, communicate with relevant stakeholders and establish forums with enforcement agencies and associations within the industry. The SADPMR will continue to create awareness through the implementation of the SADPMR Marketing Strategy.

5.3 Opportunities

5.3.1 Membership in BRICS

Involvement of South Africa in BRICS, opens the country to a broader market. The skills and technology that these countries possess can help small role players in the sectors to benefit from South African's involvement, especially in the diamond and jewellery manufacturing with polishing of *melee*.

5.3.2. Intra Africa Trade Agreement (AfCFTA)

The trade agreement which came into effecting on 30 May 2019, will contribute to the continents GDP and assist in its growth by 53% by mid-2020. The agreement has the potential to open new trade opportunities among African states as anticipated that African firms will become bigger, more specialised, and more competitive internationally.

5.3.3 A good Audit record

For the past 7 years the SADPMR received unqualified audit reports from the Auditor General. Three of these were unqualified without findings. The SADPMR will continuously strive for an unqualified audit.

5.4 Threats

5.4.1 The decline beneficiation

The diamond cutting and the jewellery manufacturing industries have declined over the past few years. The high numbers of retrenchments in the cutting and polishing factories bears testimony to this. Formulating the SADPMR Beneficiation Strategy is viewed as a way of addressing the challenge. Hence, despite the challenges, we have witnessed an inspiring level of reliance of the industry.

5.4.2 Substitutions and recycling

The practice of using scrap and other cheaper metals (PGM'a) instead of using platinum is a threat in the platinum sector in particular.

5.4.3 Budget Cuts

The National Treasury has indicated and projected budget cuts to all departments and entities. Such budget cuts will potentially affect the operations of the SADPMR.

5.4.4 Down Scaling of Operations

Retrenchments and down scaling of operations affects the production of diamond and precious metals in South Africa. This will have an adverse effect on the mandate of the SADPMR

5.4.5 Legislative Constraints

The last amendment of the diamond and precious metals legislation was in 2005. The SADPMR has identified several provisions that pose challenges when implementing and enforcing compliance to the legislation. The legislative constraints can be more suitably addressed when the MPRDA Bill is finalised.

PART C: MEASURING OUR PERFORMANCE

PROGRAMME 1: ADMINISTRATION (FINANCE, COOPERATE SERVICES, SECURITY SERVICES AND LEGAL SERVICES)

1. Institutional Performance Information

1.1 Measuring the Impact

Impact Statement	<p>To be a leading Regulator in the Diamonds and Precious Metals industry by:</p> <ul style="list-style-type: none"> • Controlling and administering all matters relating to the purchase, sale, beneficiation, import and export of Diamonds and Precious Metals of the Republic; and • Ensuring compliance through implementation of legislation and the regulations thereof as well as promotion of the Mining Charter.
-------------------------	--

1.2 Measuring Outcomes

Outcome	Outcome Indicator	Baseline	Five Year Target
Finance: An effective, efficient and development orientated regulator	Number of contracts awarded to HDIs	Establish baseline	45
	Percentage of rand value of procurement spent awarded to HDI (Level 1& 2)	Establish baseline	55%
	Instances of non-compliance to PFMA (Irregular, Fruitless and Wasteful expenditure)	Establish baseline	0
	Develop strategy to maximize revenue collection	Establish baseline	Develop, Implement and Review the revenue strategy
	Identified and implemented finance application modules to optimize utilization of enterprise resource planning (ERP)	Establish baseline	Compilation and implementation of the application renewal plan

<p>Cooperate Services:</p> <p>An effective, efficient and development orientated Regulator</p>	<p>Recruitment and Selection Percentage Reduction of vacancy rate</p>	Establish Baseline	Less than 5% vacancy rate
	<p>Human Resources Development Percentage of compliance to the WSP requirements</p>	Establish Baseline	100%
	Number of new bursaries awarded		25
	Number of young graduates recruited on the Internship Programme		35
	<p>Performance Management and Development System Percentage of signed performance agreements and work plans facilitated</p>	Establish Baseline	100%
	Number of Bi-annual performance assessments facilitated		10
	<p>Wellness Programme Number of Employee Wellness</p>	Establish Baseline	25
	Programme interventions implemented		20
	<p>Organisational Development Number of employee recognition events coordinated</p>	Establish Baseline	5
	Number of organisational culture interventions implemented		10
	Number of leadership development programmes implemented		10
	Number of women and youth empowerment skills development, facilitated for internal staff		17
	<p>Information and Communication Technology: Number of Disaster Recovery Tests implemented</p>	Establish Baseline	10
	Phases of online application developed		Develop and Monitor Three Online Application Systems
	Number of ICT Security Measures implemented		10

Marketing & Communication: Number of strategic stakeholder engagements within Diamond and Precious Metals sector conducted as per the plan	Establish Baseline	56
Number of brand promotion activities implemented	Establish Baseline	80
Number of Diamond and Precious Metal industry specific articles published about the services of the SADPMR	Establish Baseline	20
Number of internal newsletter articles published	Establish Baseline	30
Number of engagements uploads on digital media platforms	Establish Baseline	200
Security Risk Management: Number of fraud and corruption prevention plan activities implemented	Establish Baseline	20
Number of vetting files submitted to State Security Agency (SSA)	Establish Baseline	45
Percentage of pre-employment screening request for employees submitted to State Security Agency	100%	100%
Number of Occupational Health and Safety initiatives implemented	2	30
Legal Services: Percentage of matters referred for legal advice and addressed within 30 days.	100%	100%
Percentage of legal opinions obtained on behalf of the Regulator.	100%	100%
Percentage of contracts and SLAs vetted within 30 days.	100%	100%

1.3 Explanation of Planned Performance over the Five-Year Planning Period

1.3.1 Finance:

The Finance Division is responsible for the overall financial and supply chain management of the SADPMR, in terms Public Finance Management Act 1999, as amended; and the Preferential Procurement Policy Framework Act, 2000, as amended. The Division ensures that the procurement plan is aligned to the needs identified in this Strategic Plan and that all provisions of the PFMA are adhered to in carrying out these functions.

The SADPMR receives approximately 50% of its funding through the transfer payment from the Department of Mineral Resources and Energy. The DMR has indicated a baseline reduction in 2019/20 financial year. The reduction will affect the final allocation to the entity, while the expenditure has increased and it is currently not aligned to the Consumer Price Index inflation projections of 5.3% in 2019/20. In addition to the above, the SADPMR's multi-year wage agreement which concludes in the financial year ending 2019/2020, will also contribute to the cost pressures of the entity.

Through the implementation of the various interventions of promoting the SADPMR, the division will increase the recognition of revenue to contain the cost pressures identified above. Cost containment and efficiency savings initiatives will be implemented to curb the increase of expenditure.

The Finance Division continues to address the non-compliance with internal controls, policies, and implements recommendations emanating from the internal and external audit reports. Furthermore, relevant internal policies will be reviewed to align with National Treasury Instruction Notes and Circulars.

1.3.2 Human Resources

The Human Resources division deals with the provision of human capital services as per the approved HR Plan. During the previous financial year, the division experienced a number of misconduct cases which had an impact on the staff morale.

In addressing these challenges, the Human Resources division will continue implementing the Integrated Human Resource Plan which covers (five) 5 pillars, namely; human resource development, performance management and development system, employee wellness programme, recruitment and labour relations. The implementation of the Recruitment and Selection Policy and the National Vetting Strategy will also continue during the year in order to ensure a well-capacitated organization with personnel of high integrity. The Human Resource division will continue with skills development programmes to strengthen and grow the talent of the current workforce, particularly in the area of scarce skills and the upcoming Mining Charter as well as training on identification of synthetic diamonds.

1.3.3 Communication

The communications division promotes the image of the SADPMR and also facilitates stakeholder engagements. One of the areas that need improvement is the lack of awareness of the SADPMR brand. The Communication division aims to ensure the provision of efficient and effective communication services to the SADPMR and its programmes. In this regard it will implement the mandate, mission, vision and values of the SADPMR. Over the MTEF period, the SADPMR will implement the SADPMR Marketing strategy which will assist in creating awareness of the entity.

1.3.4 Information and Communication Technology

The ICT environment is rapidly changing and requires agility. The division will focus on ensuring proper business continuity through Web Admin, Disaster Recovery and deployment of applications to the ICT environment. It will also continue to strengthen its relations with SITA to ensure that the SADPMR is well positioned to deploy planned and cloud environment in the future.

1.3.5 Security Risk Management

The Security Risk Management core mandate is to implement the Minimum Information Security Standards (MISS), Minimum Physical Security Standards (MPSS), National Vetting Strategy (NVS) and relevant legislations in this regard.

In implementing the above mandate, Management remains concerned about the ongoing construction works around the SADPMR premises which is influenced by the rezoning of the precinct to a mixed development (office, retail and residential). This has impact in the welfare of the clients since the precinct is no more conducive.

The division will continue to implement counter-intelligence measures, identify deficiencies and make business less vulnerable to security threats by creating deterrence through environmental designs. High priority will still be given to the emergency procedures and National Vetting Strategy of government

Legal Services

In order to ensure the attainment of an effective, efficient and developed orientated regulator, it is crucial to ensure that the Regulator is not exposed to unnecessary legal risks and hence the importance of identifying and mitigating such risks. Therefore, it is in this premise that the above-mentioned indicators were found to relevant for the attainment of the outcome.

Enablers to achieve the five-year targets are a fully capacitated legal service in terms of human resources (employing staff who are knowledgeable and qualified in legal field) and equipped in terms of working tools (legal library) that would enable the legal services to render efficient and effective legal services.

1.4 Key Risks (Finance, Cooperate Services, Security Services and Legal Services)

Outcome	Key Risk	Mitigation
An effective, efficient and development orientated Regulator	Failure to prevent non-compliance with legislation (Irregular, Fruitless and Wasteful expenditure)	Checks and balances and segregation of duties
	Revenue shortfall	Develop strategy to maximize revenue collection
	Non -compliance to internal policies	Conducting internal policy workshops
	Cybercrime	Ongoing testing and monitoring of systems/ Upgrading of security software
	Unvetted contracts and SLAs result in the Regulator finding itself in a vulnerable position.	Intensified vetting process

PART D: Technical Indicator Description (TID)

1. FINANCE

Indicator Title	The number of contracts awarded to HDI (level 1 and 2)
Definition	The number of supplier's contracts awarded to historically disadvantaged individuals (HDI) which are accredited with level 1 and 2 BBBEE status.
Source Data	Pastel and SCM allocation of contracts
Method of Calculation/ Assessment	Maintains a register for contracts awarded per financial year.
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	Women Youth

	People with Disabilities
Spatial Transformation (where applicable)	Historically Disadvantaged individuals
Reporting Circle	Annually
Desired Performance	5 contracts awarded to level 1 & 2 HDI's
Indicator Responsibility	Chief Financial Officer

Indicator Title	Percentage of rand value of Procurement spend awarded to HDI
Definition	The percentage rand value of supplier's contracts awarded to level 1 and 2 historically disadvantaged individuals (HDI).
Source Data	Level 1 and 2 HDI Contract register
Method of Calculation/ Assessment	Populate level 1 and 2 HDI contract register as and when the relevant awards take place
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	Women Youth People with Disabilities
Spatial Transformation (where applicable)	Historically Disadvantaged individuals
Reporting Circle	Annually
Desired Performance	Allocate more contracts to HDI's
Indicator Responsibility	Chief Financial Officer

Indicator Title	Instances of non-compliance to PFMA (irregular; fruitless and wasteful expenditure)
Definition	Non-compliance with legislation resulting in irregular; fruitless and wasteful expenditure.
Source Data	SCM systems
Method of Calculation/ Assessment	IE & FW registers
Assumptions	N/A

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	New
Desired Performance	Prevent and detect non-compliance
Indicator Responsibility	Chief Financial Officer

Indicator Title	Develop strategy to maximize revenue collection
Definition	Maximise revenue
Source Data	Meetings, consultation and research
Method of Calculation/ Assessment	Developed strategy
Assumptions	The strategy be approved by Executive Management before end of second quarter
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Annually
Desired Performance	Financial sustainability
Indicator Responsibility	Chief Financial Officer

Indicator Title	Identified and implemented finance application modules to optimize utilization of enterprise resource planning (ERP)
Definition	Implement finance application modules to automate system
Source Data	Meetings, consultation, research and collaboration with ICT division
Method of Calculation/ Assessment	Compile an application renewal plan with milestones

Assumptions	The plan being approved and implemented by 30 September 2020
Disaggregation of Beneficiaries (where applicable)	n/a
Spatial Transformation (where applicable)	n/a
Reporting Circle	Quarterly
Desired Performance	Improve efficiency
Indicator Responsibility	Chief Financial Officer

2. HUMAN RESOURCE MANAGEMENT

Indicator Title	Number of women, youth empowerment skills development facilitated for internal staff
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Attendance registers
Method of Calculation/ Assessment	Attendance registers of women, youth who attended diamond and precious metals related courses
Assumptions	Sufficient funds and approved skills programme
Disaggregation of Beneficiaries (where applicable)	5 Women 5 Youth
Spatial Transformation (where applicable)	N/A

Reporting Cycle	Quarterly
Desired performance	Inspire good performers and retain high quality performers
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Percentage of compliance to WSP requirements
Definition	The integrated use of training, organization, and career development efforts to improve individual, group, and organizational effectiveness
Source of data	Annual Training Report (ATR), Skill Audit report, facilitation of Personal Development Plan (PDP)
Method of calculation	Trainings attended vs WSP commitments
Assumption	Approval of Personal Development Plan and sufficient funds
Disaggregation of Beneficiaries (where applicable)	60% of female staff
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Increase in the number of skilled workforces
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of new bursaries awarded
Short definition	Bursary contracts concluded within a specific financial year
Source data	Completed bursary application form, Approved submission to award bursary, Bursary offer letter, Signed Bursary Contract
Method of calculation	Number of bursaries awarded to SADPMR employees
Assumption	Eligible bursary applications
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired performance	Increase in the number of skilled workforces
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of young graduates recruited on the Internship Programme
Short definition	A structured work experience related to a student's major and/or career goal.
Source data	Internship programme advert, Internship programme offer and Contract, Equity Status on the programmes; Interview evaluation from, Verification of candidate's personal documents, audit report.
Method of calculation	Number of young graduates recruited on the Internship Programme per division

Assumption	Sufficient budget to increase number of Internship intake
Disaggregation of Beneficiaries (where applicable)	3 female youth enrol for internship programme 2 Disability youth enrol for internship programme
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired performance	To provide skills to young graduates
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Percentage of signed performance agreements and work plans facilitated
Definition	This defines accountability for specific personal and organizational goals
Source data	Signed performance agreement and workplan
Method of calculation	% of employees entered into performance agreements vs non-submission
Assumption	Continuous monitoring of key performance areas
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Reporting Cycle	Annually
Desired performance	Outstanding performance
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of bi-annual performance assessments facilitated
Definition	The form of testing that requires employee to perform an allocated responsibility
Source data	Signed Assessment form, performance verification Sources, Scoring Sheet
Method of calculation	Number of employees assessed bi-annually
Assumption	Employees achieved divisional targets as per annual performance plan
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired performance	Inspire good performers and retain high quality performers
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of wellness programmes events / activities facilitated
Definition	To promote the health and wellbeing of employees
Source data	World AIDS day for SADPMR; 16 Days of activism for no violence against Women and Children, Women and Men; Empowerment and Wellness days for SADPMR Staff.
Method of calculation	Number of wellness programmes events facilitated
Assumption	Sufficient funds and availability of service providers
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Improve health and productivity of employees
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of wellness programme interventions implemented
Definition	To promote the health and wellbeing of employees
Source data	Statistical reports from service provider, attendance register for workshops and Notice for wellness awareness
Method of calculation	Number of wellness intervention
Assumption	Approved well programme

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Improve health and productivity of employees
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of employee recognition events coordinated
Definition	Acknowledging of an individual or team's behaviour, performance, effort and accomplishment.
Source data	Long Service Awards, Academic achievement, Higher achievers
Method of calculation	Number of events coordinated
Assumption	List of employees graduated through employer's bursary, best performer, employees with long service
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Staff retention

Indicator responsibility	General Manager: Corporate Services
--------------------------	-------------------------------------

Indicator Title	Number of organisational culture interventions implemented
Definition	To implement effective change towards the strategic objective of the employer
Source data	Team building sessions, ethics and protocol training imbizos, diversity management training and intervention.
Method of calculation	Number of interventions implemented
Assumption	Workshops organised for staff
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Improve performance of employees
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of leadership development programmes implemented
Definition	Activities that improve the skills; abilities and confidence of leaders
Source data	Workshops, progress report on leadership development programmes

Method of calculation	Number of leadership programmes implemented
Assumption	Identified relevant programme to be attended and sufficient training budget
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Improved leadership skills
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Percentage reduction of vacancy rate
Definition	To recruit and retained highest quality staff members
Source data	Job adverts; job applications, interview evaluation from; verification of candidate's personal documents; audit report.
Method of calculation	Percentage of funded filled posts vs funded vacant posts (should be less than 5%)
Assumption	Sufficient recruitment budget and appropriate implementation of recruitment policy
Disaggregation of Beneficiaries (where applicable)	People living with disabilities preference candidates to fill the vacant post

Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	To have higher skilled staff
Indicator responsibility	General Manager: Corporate Services

3. COMMUNICATION AND MARKETING

Indicator Title	Number of internal and external stakeholders' engagements conducted.
Definition	Engage stakeholder on matters that affect SADPMR and stakeholders through meetings, workshops, reports, and interactions with SADPMR stakeholders.
Source of data	Attendance registers, minutes, reports.
Method of calculation/assessment	Count number of engagements with external and internal stakeholders conducted.
Assumptions	Stakeholders head the call to engage with the employer
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Actual performance to be higher than the set target
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of brand promotion initiatives implemented.
Definition	Activities conducted SADPMR to promote the organisation and its activities through roadshows, exhibitions, below and above the line advertisement.
Sources of data	Publications and contract sign off
Method of calculation/assessment	Number of promotion activities conducted
Assumptions	Stakeholder respond positively to the initiated brand promotions
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Actual performance to be higher than the set target
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of diamond and precious metals industry specific articles published about the services of SADPMR
Definition	Below the line advertising (print media)
Source of data	Publications and contract sign off
Method of calculation/assessment	Number of publications

Assumptions	Articles reach all the diamond and precious metals beneficiaries.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Actual performance to be higher than the set target
Indicator responsibility	General Manager: Corporate Services

Indicator Title	Number of internal newsletters published
Definition	Internal newsletter used to communicate to SADPMR staff
Source of Data	Newsletters
Method of calculation or assessment	Number of newsletters published
Assumptions	Newsletter empower staff with employer's strategic resolutions
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Actual performance to be higher than the set target

Indicator responsibility	General Manager: Corporate Services
--------------------------	-------------------------------------

Indicator Title	Number of engagements uploads on digital platforms
Definition	Posts on social media platform
Source of data	Social media platforms
Method of calculation/assessment	Number of uploads conducted on digital platforms
Assumptions	Updated data uploaded
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired performance	Actual performance to be higher than the set target
Indicator responsibility	General Manager: Corporate Services

4. INFORMATION COMMUNICATION TECHNOLOGY (ICT)

Indicator Title	Number of MSP programmes implemented
Definition	The Disaster Recovery test will ensure recovery of production environment and business continuity if a disaster occurs.
Source Data	User sign off forms
Method of Calculation/ Assessment	Results from the DR tests performed.

Assumptions	Network outage
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Corporate Services

Indicator Title	Percentage of change control measures for applications maintenance received.
Definition	Implementation of the change control for the following modules: Licensing, diamond registers and inspections, precious metals registers and inspections, DEEC imports and exports, GDV and the bidding portal.
Source Data	Change control form
Method of Calculation/ Assessment	Change control requests implemented
Assumptions	System outage and power failure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Corporate Services

Indicator Title	Number of online applications developed
Definition	Implementation of the online license applications, submission of diamond register and bidding functionality.
Source Data	User requirements
Method of Calculation/ Assessment	Business Impact Analysis and Technical Risk Assessment Documents
Assumptions	System outage and power failure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	General Manager: Corporate Services
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Corporate Services

Indicator Title	Number of ICT security measures implemented
Definition	Implementation of system vulnerability assessment.
Source Data	User requirements
Method of Calculation/ Assessment	The results of the security assessment conducted.
Assumptions	System outage and power failure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Bi-annually
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Corporate Services

5. SECURITY RISK MANAGEMENT

Indicator Title	Number of vetting files submitted to State Security Agency (SSA)
Definition	Implement physical and personnel security risk mitigation measurer/s listed below: Personnel security (security screening): Submit completed vetting forms to SSA for processing
Source Data	List forms that are submitted to SSA
Method of Calculation/ Assessment	Count number of forms submitted to SSA for vetting

Assumptions	Employees will comply with vetting requirements
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Percentage of pre-employment screening request for employees submitted to State Security Agency
Definition	Implement physical and personnel security risk mitigation measurer/s listed below: Personnel Suitability Check (PSC) for new employees: Submit list of applicants to State Security Agency (SSA) for PSC
Source Data	list of shortlisted applicants that is submitted to SSA
Method of Calculation/ Assessment	Count percentage of shortlisted applicants subjected to PSC
Assumptions	There will be new appointments
Disaggregation of Beneficiaries (where applicable)	N/A

Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond trade

Indicator Title	Number of Occupational Health and Safety initiatives implemented
Definition	Conduct Occupational Health and Safety audits and evacuation drills
Source Data	Record for emergency evacuation drills reports Contingency planning (Quarterly inspections and audits reports
Method of Calculation/ Assessment	<ul style="list-style-type: none"> • Count number of Occupational Health and Safety audits reports • Count number of evacuation reports (Bi-annual)
Assumptions	All role players will participate
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	
Definition	
Source Data	
Method of Calculation/ Assessment	Count percentage of shortlisted applicants subject to Personnel Security Checks (PSC)
Assumptions	There will be new appointments
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Number of fraud and corruption prevention plan activities implemented
Definition	Implementation of Fraud and Corruption awareness programmes as listed below: training and workshops

Source Data	Empower officials to able to identify, detect and prevent fraud and reduce fraud related incidents
Method of Calculation/ Assessment	Count number of workshops and training interventions.
Assumptions	All officials will be able to attend and apply skills learned from training and workshops
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

6. LEGAL SERVICES

Indicator Title	Percentage of matters referred for legal advice and addressed within 30 days
Definition	Matters referred for legal advice refers any matter referred to legal services by internal / external stakeholders in terms of which they seek legal advice
Source Data	Legislation and regulations; policies, judicial precedents; common law as well as international law
Method of Calculation/ Assessment	Percentage of legal matters referred for legal advice
Assumptions	100% of matters to be attended to
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Twice a year
Desired Performance	Meet 100% target within the prescribed time-frame
Indicator Responsibility	General Manager: Legal Services

Indicator Title	Percentage of legal opinions obtained on behalf of the Regulator.
Definition	Matters that need special legal expertise referred to external attorneys for legal opinion
Source Data	External attorneys and/or counsels
Method of Calculation/ Assessment	Percentage of legal matters referred for external opinion
Assumptions	100% of external opinions obtained
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Twice a year
Desired Performance	100%
Indicator Responsibility	General Manager: Legal Services

Indicator Title	Percentage of contracts and SLAs vetted within 30 days
Definition	All proposed contracts or SLAs to be entered into between the SADPMR and external or internal stakeholders for vetting
Source Data	Contracts and SLAs to be vetted

Method of Calculation/ Assessment	Percentage of contracts and SLAs referred vetting
Assumptions	100% of external opinions obtained
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Twice a year
Desired Performance	100%
Indicator Responsibility	General Manager: Legal Services

PROGRAMME 2: DIAMOND TRADE (DIAMOND EXCHANGE AND EXPORT CENTRE AND GOVERNMENT DIAMOND VALUATION)

1. Institutional Performance Information

1.1 Measuring Impact

Impact Statement	<p>To be a leading Regulator in the diamonds and precious metals industry by:</p> <ul style="list-style-type: none"> • Controlling and administering all matters relating to the purchase, sale, beneficiation, import and export of diamonds and precious metals of the Republic; and • Ensuring compliance through implementation of legislation and the regulations thereof as well as promotion of the Mining Charter.
-------------------------	--

1.2 Measuring Outcomes

Outcome	Outcome Indicator	Baseline	Five Year Target
Job creation, skills development and Value addition to precious metals and diamonds	Number of skills initiatives facilitated for the industries	2	30
Compliance to legislation	Percentage of valuations conducted	100%	100%
Compliance to legislation	Percentage of disputes resolved on valuations regarding fair market value	100%	100%
	100% polished undisclosed synthetic diamonds detected	Establish baseline	100%
	Number of new diamond beneficiators that accessed and viewed at the DEEC.	Establish baseline	21
	Percentage of compliance Kimberley Process Certification Scheme (KPCS)	100%	100%

	Number of HDP-owned companies accessing the DEEC	Establish baseline	60
--	--	--------------------	----

1.3 Explanation of planned performance over the medium-term period

The Diamond Trade Programme includes the Diamond Exchange and Export Centre, and Government Diamond Valuator. These divisions are an integral part of the SADPMR as they are responsible for the valuation, facilitation of local trade; exports; and imports of diamonds in South Africa. It ensures that trade in unpolished diamonds is conducted in line with the Kimberly Process Certificate Scheme (KPCS) requirements.

In response to the effects of the fourth industrial revolution, the Programme will be implementing the activities derived from the Synthetic Diamond Strategy to address the threats posed by synthetic diamonds. These activities are meant to ensure integrity in the diamond trade which will be achieved through training of officials on the identification and detection of synthetic diamonds. Furthermore, South Africa will continue to participate in both local and international platforms focusing on synthetic diamond trade and trends. This will assist in boosting consumer confidence that they are protected against non-disclosure of synthetic diamonds.

South Africa has seen a decline in diamond production due to projects such as the Venetia Mine expansion which is converting from open cast mining to underground mining methods. This project has contributed immensely in the decline of production however this will not be a long-term negative situation since in the next two years the mine will be fully operational. It is estimated that when the mine is fully operational it will boost the annual output by approximately 3 million carats.

South Africa will be participating in the free-trade agreement, which is seeking to promote intra-Africa trade. This agreement facilitates and assists developing countries in expanding trade and benefit from the intra-Africa trade. Recently South Africa has seen a number of

local factories expanding in other African countries especially in SADC. The SADPMR will therefore leverage on these agreements in promoting intra-Africa trade in diamonds.

1.4 Key Risks

Outcome	Key Risk	Risk Mitigation
Job creation, skills development and value addition to precious metals and diamonds	Credibility of the SADPMR tarnished by licensees that engage in illicit diamond and precious metals trading	Regular meetings with enforcement agencies to discuss such matters and thereby improve information sharing and cooperation
Compliance with legislation	Increase in Synthetic diamonds	Training of officials on identification and detection of synthetic diamond
To promote equitable access to resources for local beneficiation.	Reduction in diamond production	Market the DEEC and attract African trade as well as small scale miners. Continuous promotion of the SADPMR and its services.
Compliance with legislation	Loss of diamonds at DEEC	Verification of contents: <ul style="list-style-type: none"> • Counts • Indemnity forms • Insurance • Security systems and static security • Inventory reference document • Stock

TECHNICAL INDICATOR DESCRIPTIONS (TID)

1. GOVERNMENT DIAMOND VALUATION

Indicator Title	Number of new HDPs (women and youth) in the diamond industry trained in diamond valuation
Definition	Conduct training on diamond Planning, Marking, sorting, diamond pricing and valuation
Source Data	New licensees, selected from the induction programme facilitated by Licensing Division and any other requests for training. <ul style="list-style-type: none"> Source: Attendance register and training programme on valuation
Method of Calculation/ Assessment	Count number of trainees
Assumptions	New licensees will be available for training
Disaggregation of Beneficiaries (where applicable)	Target for women Target for youth
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Percentage of valuations conducted
Definition	Sort the diamonds, examination / valuation, issue a valuation certificate to producers, statement for SAPS and endorsements for imports and exports.
Source Data	Valuations certificates
Method of Calculation/ Assessment	Percentage of diamonds valuations conducted
Assumptions	Clients, SARS and SAPS will request for the services
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Percentage of disputes resolved on valuations regarding fair market value
Definition	Sort the diamonds, examination / valuation and verify price difference on FMV, 10% price difference for producers and 20% price difference for diamond imports and exports.
Source Data	Valuation certificates and import and exports endorsement

Method of Calculation/ Assessment	The percentage of diamonds valued and verified
Assumptions	Clients will be trading in fair market value
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Percentage of undisclosed synthetic diamonds subjected to detection
Definition	Conduct valuation on diamond to detect undisclosed synthetic diamonds
Source Data	Diamond valuation certificates
Method of Calculation/ Assessment	Percentage of polished diamond subjected to valuation to detect undisclosed synthetic diamonds
Assumptions	All parcels will be submitted for valuation
Disaggregation of Beneficiaries (where applicable)	N/A

Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed than the set target
Indicator Responsibility	General Manager: Diamond Trade

2. DIAMOND EXPORT AND EXCHANGE CENTER

Indicator Title	Number of new Beneficiators accessing the DEEC.
Definition	Diamond Beneficiators coming to view diamonds at the DEEC for the first time
Source Data	Diamond Beneficiators participating at the DEEC <ul style="list-style-type: none"> • Source: Viewing Forms
Method of Calculation/ Assessment	Count the number of Diamond Beneficiators that viewed at the DEEC for first time
Assumptions	Local Diamond Beneficiators will be active in business
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly

Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Percentage of compliance Kimberly Process Certification Scheme (KPCS) requirement.
Definition	Trade with KP participants, issued KPC, submit quarterly and annual reports.
Source Data	Data Collection: Declared and registered exports Source: Number of KPCs issued and reports submitted
Method of Calculation/ Assessment	Number of KPC's issued and reports submitted.
Assumptions	All role players will be cooperative
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	Number of HDP- owned companies accessing DEEC
Definition	Number of HDPs accessing and serviced by the DEEC. Definition of clients accessing the DEEC: Clients declares a

	shipments, verification and processing of diamond imports and exports and signing of the client register. This includes extended services provided by the DEEC at client's premises.
Source Data	New HDP- owned companies participating at the DEEC Source: Viewing Forms
Method of Calculation/ Assessment	Count the number of HDPs that accessed and serviced by the DEEC.
Assumptions	HDP- owned companies will be active in business
Disaggregation of Beneficiaries (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

PROGRAMME 3: REGULATORY COMPLIANCE (LICENSING, DIAMOND INSPECTORATE AND BENEFICIATION, PRECIOUS METALS INSPECTORATE AND BENEFICIATION)

1. Institutional Performance Information

1.1 Measuring Impact

Impact Statement	<p>To be a leading Regulator in the diamonds and precious metals industry by:</p> <ul style="list-style-type: none"> • Controlling and administering all matters relating to the purchase, sale, beneficiation, import and export of diamonds and precious metals of the Republic; and • Ensuring compliance through implementation of legislation and the regulations thereof as well as promotion of the Mining Charter.
-------------------------	--

1.2 Measuring Outcomes

Outcome	Outcome indicator	Baseline	Five-year target
Compliance with Precious Metals and Diamonds legislation	Number of compliance inspections conducted within the precious metals industries.	Baseline to be established	4050
	Number of compliance inspections conducted within the diamonds industries.	Baseline to be established	4350
	Number of precious metals joint inspections with law enforcement stakeholders	New Indicator	40
	Number of diamond joint inspections with law enforcement stakeholders	New Indicator	40
	Percentage of enforcement actions undertaken	New Indicator	100%

Transformation in the diamond and precious metals industries	Number of licensees assessed against their commitments	80	1500
	Number of enterprise developments facilitated including women and youth	New Indicator	25
Job creation, skills development and value addition to diamond and precious metal industries	Percentage of licences issued within 60 working days based on completeness of the license application (precious metal)	90%	90%
	Percentage of licences issued within 60 working days based on completeness of the license application (diamonds)	90%	90%
	Number of Export Approval applicants catering for local demands of unwrought/ semi- fabricated precious metals addressed	Baseline to be established	60
	Percentage of beneficiation licenses/permits issued from the applications received within the legislated timeframe (60 working days)	Establish new baseline	100%
	Number of inactive diamond businesses engaged	Establish baseline	25

1.3 Explanation of planned performance over the medium-term period

Regulatory compliance outcomes have been chosen because they resonate with the SADPMR's core mandate and objectives. The core mission of SADPMR is to deliver a regulatory compliant diamond and precious metal industry in order to usher the industry on the path of transformation, global competitiveness, sustainable development and job creation.

The streamlining of licence process is a key driver of service delivery excellence and ease-of-doing-business for SADPMR clients. Inspections covering different areas in the country will lead to improved compliance.

The approach of zero-tolerance culture to non-compliance remains one of the long-term aspirations of the SADPMR as well as of the beneficiation strategy into concrete deliverables. A reformed, inclusive and transformed diamond and precious metals industry is instrumental in achieving South Africa's nation building and developmental state objective.

Dedicated resources in the form of reliable cars with petrol, budget and proper maintenance of cars will enable inspectors /officers to perform their functions as planned along with an adequate number of additional personnel in the divisions. Collaboration and partnerships is crucial to be able to achieve the mandate of the SADPMR with key stakeholders. Within the diamond and precious metal industries an impactful regulatory compliance regime is instrumental to unlocking the industry's competitiveness and job creation potential

1.4.Key Risks

Outcome	Key risks	Risk mitigation
Improved compliance with legislation	Failure to prevent fraud, corruption and non-compliance with legislation	<ul style="list-style-type: none"> • Regular inspections and monitoring, performing audits and taking corrective actions • Conduct fraud risk assessment and provide training on anti-corruption strategy • Sensitise both employees and clients on the use of the National Anti-corruption Hotline • Coordination with enforcement agencies
Increased transformation in the diamond and	• Resistance to change by the industry	• Due diligence on applications. Coordination and Follow-up with compliance inspections and audits

precious metals industries	<ul style="list-style-type: none"> • Lack of new entrants, specifically HDSA women and youth in the industry. • Fronting in by both HDSAs and historically privileged individuals. 	<ul style="list-style-type: none"> • Conducting workshops to HDSA's into promote the diamond and precious metals industry. Interviews with BEE beneficiaries and verification of authenticity of participation. • Impose sanction on those failing to comply
More job creation, skills development and value addition to diamond and precious metal industries	Reduction in mineral beneficiation- diamond and precious metals	<ul style="list-style-type: none"> • Market the DEEC and attract African Trade as well as small scale miners • Prioritise access for diamond beneficiators at the DEEC • Precious metal export approval inspections

PART D: Technical Indicator Description (TID)

1. Licensing

Indicator Title	Percentage of licences issued within 60 days based on completeness of the applications (Diamonds)
Definition	License issued as a percentage of complete applications received.
Source Data	List of licenses issued
Method of Calculation/ Assessment	Count number of days from date of lodgment until issue date of license
Assumptions	All applications received are complete
Disaggregation of Beneficiaries (where applicable)	N/A

Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Percentage of licences issued within 60 days based on completeness of the applications (Precious Metals)
Definition	License issued as a percentage of complete applications received.
Source Data	List of licenses issued
Method of Calculation/ Assessment	Count number of days from date of lodgment until issue date of license
Assumptions	All applications received are complete
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Number of enterprise developments facilitated including women and youth
Definition	Nurturing of small, medium and micro enterprise to promote economic growth.
Source Data	<ul style="list-style-type: none"> • Performance Annual Report. • List of women and youth received for enterprise development.
Method of Calculation/ Assessment	Number of enterprises facilitated.
Assumptions	Licensees will submit annual performance reports.

	Successful collaboration with external stakeholders.
Disaggregation of Beneficiaries (where applicable)	Women: 40% Youth: 60%
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

2. Diamond inspectorate and beneficiation

Indicator Title	Number of compliance inspections conducted (Diamonds)
Definition	Number of compliance inspections conducted at premises of diamond licensees and applicants for such licences/permits
Source Data	Inspection Memorandum Anniversary of license issued date
Method of Calculation/ Assessment	Each signed Inspection Report is counted
Assumptions	A signature after "Findings noted by applicant/Licensee" is assumed to be confirmation that an inspection was conducted.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Number of joint inspections with relevant law enforcement bodies (Diamonds)
Definition	Joint inspections with relevant law enforcement stakeholders such as SAPS and SARS

Source Data	Official written request
Method of Calculation/ Assessment	Count the number of Disruptive/Joint Inspection reports signed by respective managers of SADPMR and other law enforcement stakeholder
Assumptions	It is assumed that such joint inspections are permitted by legislation and that such law enforcement stakeholders are willing to conduct such inspections with the SADPMR
Disaggregation of Beneficiaries (where applicable)	NA
Spatial Transformation (where applicable)	NA
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Number of inactive businesses engaged
Definition	Assistance provided licensees with no activity
Source Data	Nil registers records
Method of Calculation/ Assessment	Count number of inactive licensees who attended diamond tenders through SADPMR's facilitation efforts
Assumptions	Inactive licensees engaged will attend the diamond tender invitations
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

3. Precious Metals and Beneficiation

Indicator Title	Number of compliance inspections conducted (Precious Metals)
Definition	Number of compliance inspections conducted at premises of precious metal licensees and applicants for such licences/permits
Source Data	Inspection Memorandum Anniversary of license issued date
Method of Calculation/ Assessment	Each signed Inspection Report is counted
Assumptions	A signature after “Findings noted by applicant/Licensee” is assumed to be confirmation that an inspection was conducted.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Number of joint inspections with relevant law enforcement bodies (Precious Metals)
Definition	Joint inspections with relevant law enforcement stakeholders such as SAPS and SARS
Source Data	Official written request
Method of Calculation/ Assessment	Count the number of Disruptive/Joint Inspection reports signed by respective managers of SADPMR and other law enforcement stakeholder
Assumptions	It is assumed that such joint inspections are permitted by legislation and that such law enforcement stakeholders are willing to conduct such inspections with the SADPMR

Disaggregation of Beneficiaries (where applicable)	NA
Spatial Transformation (where applicable)	NA
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Number of Export Approval applicants catering for local demands of unwrought/ semi- fabricated precious metals addressed.
Definition	Evaluate the provision made available for the local precious metals industry.
Source Data	Export Approval applications
Method of Calculation/ Assessment	Count the number of evaluation reports meeting local demand.
Assumptions	Applicants will meet the local demand.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

4. Transformation Unit

Indicator Title	Number of licensees assessed against their commitments
Definition	Verified licensee's compliance in line with the Mining Charter requirements.
Source Data	Business plan and/or performance annual report submitted by clients

Method of Calculation/ Assessment	Count the number of verification audits conducted
Assumptions	Clients will submit all verification information required
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

Indicator Title	Percentage of enforcement actions undertaken
Definition	Enforcement actions undertaken on non-compliant licensees
Source Data	Verification audit form
Method of Calculation/ Assessment	Count number of non-compliance notices / letters issued Count number of engagements meetings with clients
Assumptions	<ul style="list-style-type: none"> • Clients will rectify non-compliance within the specified timeframe • Clients will attend engagement meetings
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Circle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance