



SOUTH AFRICAN DIAMOND AND PRECIOUS METALS REGULATOR

**ANNUAL PERFORMANCE PLAN FOR
2022/2023**

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ACRONYMS

- APP : Annual Performance Plan
- BBBEE : Broad-Based Black-Economic Empowerment
- BRICS : Brazil, Russia, India, China and South Africa
- CEO : Chief Executive Officer
- DEEC : Diamond Exchange and Export Centre
- DMR : Department of Mineral Resources
- GDV : Government Diamond Valuator
- HR : Human Resource
- ICT : Information Communication Technology
- KPCS : Kimberley Process Certification Scheme
- MISS : Minimum Information Security Standards
- MPSS : Minimum Physical Security Standards
- MSP : Master Systems Plan
- 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 AUTHORITY STATEMENT

In preparation for the development of the Strategic Plan for the 2020/2025 and the Annual Performance Plan for 2022/23, the SADPMR Board and Executive management conducted a number of stakeholder workshops. These workshops were aimed at finding the needs of those we regulate and for our stakeholders to understand our role as the institution better. The information gathered from these workshops together with the National Development Plan priorities, the longstanding transformation imperatives of the Department of Mineral Resources and Energy (DMRE) and all other relevant government interventions guided us in revisiting, with confidence, our strategic plan and the Annual Performance Plan (APP) during a strategic planning session that we held. Being cognisant of the environment that we live in, with the high negative impact of Covid-19, we did an analysis of the scenario going forward and developed our Annual Performance Plan in a manner that will make the regulator to meet the challenges of today and those of the future.

In its planning, the Regulator recognizes that its core mandate is to issue different type of permits and licenses and to monitor compliance thereof. Through proper planning and allocation of necessary human resources, this function is prioritized in our APP. Job creation and skills development interventions focusing mainly on women, youth and other Historically Disadvantaged Persons will be further initiated through partnerships with the industry we regulate. We will be strengthening our relations with the industry for the benefit of new entrants into the industry. This will need us to work closely with those we regulate than in the past, whilst still maintaining our regulatory function, coupled with that of being a facilitator for the benefit of all.

Turning the industry around can only be achieved through collaboration and partnership with the stakeholders. Therefore, the Board will play a strategic interventionist role with a focus on beneficiation for Historically Disadvantaged Persons. Through these plans, the Board will continue to ensure that all licensees and permit holders are compliant with the objectives of the applicable pieces of legislation administered by the SADPMR. License holders will also be engaged through a collaborative enterprise development partnership project with the SADPMR to ensure that they not only train and skill the Historically Disadvantaged Persons (HDP's), but also empower them with business skills and acumen so that they can run their own businesses, as articulated in Government's National Development Plan.

The Board will also exercise its fiduciary duties to ensure that the SADPMR's funds are effectively managed and that all expenses incurred by the entity are used towards achieving its strategic outcomes as outlined in the Strategic Plan of 2020/2025 and Annual Performance Plan of 2022/23.



BOARD CHAIRPERSON

MR ABIEL MNGOMEZULU

01/

DATE

ACCOUNTING OFFICER STATEMENT

It is a great honour to present the Annual Performance Plan for 2022-2023 of the South African Diamond Precious Metals Regulator (SADPMR). This plan is informed by the Six Priority Areas of 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 Annual Performance 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 as prescribed by the National Treasury. The Performance Plan has three budget programmes, namely:

- 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).

In this Performance Plan, we have provided a high-level overview of how we will focus our efforts in carrying out the SADPMR's 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 Strategic 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

31/01/2022

DATE

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

Was developed by management of the South African Diamond and Precious Metals Regulator. The Annual Performance Plan considers all the relevant policies, legislation and other mandates which the SADPMR is responsible for. The Annual Performance Plan accurately reflects the Impact, Outcomes and Outputs which the SADPMR will endeavour to achieve during 2022/2023.



31/01/2022

Signature: -----

General Manager: Corporate Services



31/01/2022

Signature: -----

General Manager: Diamond Trade



31/01/2022

Signature: -----

General Manager: Regulatory Compliance



31/01/2022

Chief Financial Officer



Signature: -----

31/01/2022

GM: Legal and Governance



31/01/2022

Chief Executive Officer



Signature: -----

31/01/2022

Board Chairperson

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.

The SADPMR, as a Public Entity performing a public function derives its Constitutional mandate from section 239 of the Constitution, 1996. Therefore, when performing its Constitutional mandate, through the Diamonds and the Precious Metals Acts, the SADPMR also promotes and give effect to the following Constitutional rights:

Section 22 – the right to freedom of trade, occupation and profession;

Section 23 – the right to fair labour practice;

Section 24 – the right environment that is not harmful to a persons' health and their well-being. (see also the National Environmental Management Act 107 of 1998)

Section 32 – the right to Access to Information (see also the Promotion of Access to Information Act 2 of 2000); and

Section 33 – the right to Just Administrative Action (see also the Promotion Administrative Justice Act 3 of 2000);

Section 36- limitation of rights.

The SADPMR also promotes and gives effect to the Protection of Personal Information Act 4 of 2013. Which Act prescribes a framework for SADPMR to manage data capture and storage process of personal information in its possession.

2. Legislative and Policy Mandate

The SADPMR is a regulatory authority established in terms of section 3 of the Diamonds Act, 1986 (Act No.56 of 1986), as amended (Diamonds Act as amended). The SADPMR derives its mandate from

the Diamonds Act and the Precious Metals Act, 2005 (Act No. 37 of 2005) (Precious Metals Act) which is to:

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

Apart from the aforementioned industry specific legislation that anchors SADPMR's mandate, the following key legislation are also applicable to SADPMR's conduct of its business:

- the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA), which designates SADPMR as a Schedule 3A Public entity;
- the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA) which provides a framework and procedures for the exercise of the constitutional right to information held by the SADPMR;
- the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA), which provides a framework for ensuring that any administrative action taken by SADPMR is reasonable, lawful and procedurally fair; and
- the Protection of Personal Information, 2013 (Act No. 4 of 2013) (POPIA), which prescribes a framework for SADPMR to manage data capture and storage process of personal information in its possession.

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 Identifying initiatives that will develop and support black industrialists;
- 2.6 Enforcing compliance with legislation;
- 2.7 Advancing 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; and
- 2.11 Conducting 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. SADPMR's Strategic Outcomes

- 4.1 An effective, efficient and development orientated regulator;
- 4.2 To enforce compliance with the legislative requirements;
- 4.3 Job creation, skills development and value addition to the diamond and precious metals industries; and
- 4.4 To transform the diamond and precious metals sector.

5 Linkage of Seven Priority areas of government to SADPMR's strategic outcomes

The following Four Priorities of government are directly linked to SADPMR's strategic outcomes and outputs:

Priority area of government	Link to the SADPMR
A capable, ethical and developmental state	<ul style="list-style-type: none">• An effective, efficient and development orientated regulator
Economic transformation and job creation	<ul style="list-style-type: none">• To transform the diamond and precious metals sector• To enforce compliance with the legislative requirements
Education, skills and health	<ul style="list-style-type: none">• Job creation, skills development and value addition to the diamond and precious metals industries;
A better Africa and the World	<ul style="list-style-type: none">• To enforce compliance with the legislative requirements• Proper administration of KPCS

6. Situational Analysis

6.1 Political Factors

Republic of South Africa (RSA) still remains the only African country that is a member of Global 20 (G20). RSA have advantage in participation on global policy development related economic and sustainable growth. The G20 theme for 21st Century is ‘Realizing Opportunities of the 21st Century for All’. Under this theme there are key items on the agenda, most notably, empowering people by creating the conditions in which all people, especially women and youth are supported and shaping new frontiers by adopting long term and bold strategies to share the benefits of innovation and technological advancement.

Empowering People by creating the conditions in which all people, especially women and youth are supported is in line with RSA’s priorities of empowering women and youth. This makes RSA’s participation in G20 very important and strategic.

As a member of AU, RSA 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 particular focus on HDP’s, women and youth.

RSA as a founding member of KPCS is still dedicated to the activities of the African Union (AU) through the African Diamond Producers Association (ADPA). To that end, the country has developed the Synthetic Diamond Strategy in line with ADPA’s objectives on acquisition of technologies in diamondiferous sector which will provide integrity in the Diamond Value Chain.

6.2 Economic Factors

RSA still remains one of the world’s richest countries in terms of mineral reserves and also has large scale of active mining. RSA is the largest platinum producing country in the world by a significant margin.

RSA continues to do good in terms Precious Metals export. This was further confirmed by the President of the Republic when he announced on the 05th July 2021 that the South African Revenue Services (SARS) announced in June 2021 that another trade surplus to the value of R54.6 billion was recorded

in May 2021. The surplus is due to a 1.5% increase in exports between April and May 2021, which is primarily driven by, amongst others, mineral and precious metals exports. High commodity prices and rising global demand is good for the RSA's economy, particularly the Precious Metals sector.

RSA's diamond production is expected to remain steady in the coming year and the dollar per carats may also maintain stability. Even though the Covid-19 pandemic had devastating effect in the mining industry, it is anticipated that RSA diamond industry will recover from the negative impact of the pandemic experienced.

RSA is witnessing the presence of polished synthetic diamonds in the market. In the past years, South Africa was facilitating imports of synthetic powder but recently the market has experienced a presence of synthetic stones. SADPMR will continue to monitor the presence of unmounted polished synthetic /lab-grown diamonds in the market. Though there is no abnormal presence of synthetic diamonds in the market, they remain a concern hence detection is key. The promotion and marketing of these stones has the potential of reducing the true value of natural diamonds. SADPMR continued to implement the synthetic diamonds strategy in order to protect the natural diamond market against undeclared synthetic diamonds.

The annual production of platinum over the last decade is around 112 metric tons, which accounts to nearly 70% of the world's total platinum output. Platinum and manganese remain top in the list of global reserves with an estimated 80% and 70% respectively. The COVID-19 lockdown restrictions impacted on the production levels of minerals which resulted in job losses. The interest rate has been lowered and that had a positive impact on easing the funding landscape for the producers and beneficiaries in the mineral industries. The repo rate has significantly been reduced which serves as an incentive for those who funding to resuscitate their businesses.

6.3 Social Factors

The unemployment rate in RSA has increased and is currently standing at 32.6% as per results of quarter 1 of 2021 (STATS SA report, 2021). Amongst others, this increase can be attributable to the negative effects of Covid-19. The already strained economy has been severely impacted by the pandemic with many organisations going out of business. The diamond and precious metals industries were also affected by the pandemic, though at varying levels and degrees.

Also, the effect of growing unemployment rate is reflected by the deepening poverty levels within the country. Government's efforts of alleviating poverty have experienced a drawback partly due to the rampant Covid19 pandemic as well as the weakening economy.

In an attempt to contribute positively to the economy and poverty alleviation, the SADPMR will be embarking on a collaborative 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.

6.4 Legal Factors

The Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry (Mining Charter) was developed in terms of Section 100 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002) (MPRDA) with the aim of transforming the mining and minerals industry. The SADPMR has been implementing the 2018 Mining Charter which provides for the application of some elements of the Charter in the Diamond and Precious Metals downstream Industry with exemptions, subject to the turnover of the licence holder.

The much-anticipated Judgement in the case of Mineral Council SA v/s DMRE and Others was issued by the North Gauteng High Court on 21 September 2021 in favour of the Mineral Council SA with costs. In the judgement, various clauses of the 2018 Charter ("the Charter") were set aside, including those clauses that relate to existing or new licenses and permits issued in terms of the Diamonds Act, 1986 (as amended) and the Precious Metals Act 2005.

One further key highlight of the judgement is the issue of the so-called "once empowered, always empowered" in terms of which once an enterprise has met the threshold for black ownership of 26% as

laid out in previous charters or 30% for existing or new licenses, that initial compliance will always hold even if the empowerment-holders subsequently sell their stake.

The court also found that the Minerals and Petroleum Resources Development Act, 2002, does not empower the Minister to make law, meaning that the Charter is not binding subordinate legislation but an instrument of policy. The outcome of the judgement simply means that the SADPMR will not be able to ensure that transformational values and ideals espoused in the 2018 Mining Charter are enforced to licences issued in terms of the Diamonds Act as amended and the Precious Metals Act.

The Diamonds Act, 1986 (Act No. 56 of 1986) as amended, and the Precious Metals Act, 2005 (Act No. 37 of 2005) governing the diamond and precious metals industry have not been reviewed for a number of years. The SADPMR has been afforded an opportunity to form part of a team that will be responsible for reviewing the two pieces of legislation. The SADPMR team will ensure that the process of legislative review considers legislative gaps that have been noted over the years of implementing the two pieces of legislation in question.

6.5 Environmental Factors

The precious metals industry by its nature contribute to air emissions and hazardous waste through smelting, refining and processing, which contributes to environmental degradation. Therefore, in giving effect to section 24 of the Constitution, the SADPMR requires the applicant to comply with the National Environment Management Act, 1998 (Act No. 107 of 1998) (NEMA).

COVID-19 pandemic has accelerated the response for the call to digital economy by promoting a paperless environment through the adoption of electronic submissions for license applications and virtual inspections.

6.6 Technological Factors

RSA is still ranked in the top 10 diamond producing countries, therefore it is still important to continue to invest in advanced technology in order to prevent the undeclared synthetic diamonds to enter the market and erode jobs in the diamond industry. The advancements in technology of developing lab grown diamonds and the recent announcements that more lab-grown diamonds retail stores will be

opened remains a concern since the lab-grown diamonds will pose more competition and threat to natural diamonds.

COVID-19 pandemic has created an opportunity to Fastrack the digital transformation journey through operating in remote environment. Technological developments in the workplace are constant and rapid. The 4th Industrial Revolution as well the impact of COVID-19, necessitates that alternative ways of operating and safeguarding information should be found. The SADPMR has embarked on the migration to cloud environment. This move will ensure that employees are able to operate on and off site within a secured infrastructure.

Developments globally to use hydrogen as a green energy source is positive for RSA as it creates a significantly large, new use for platinum-group metals. As the demand for hydrogen is expected to grow seven-fold by 2050, RSA is set to be the chief supplier of platinum for this energy sector.

The steady rise in the demand for synthetic diamond jewellery products poses a threat to the natural diamonds market, especially the lack of disclosure and failure to detect thereafter. SADPMR strives to protect consumers against unfair trading practices, especially at the hands of exploitative traders. In order to continue with consumer protection, the SADPMR will remain to be robust with the utilization of synthetic diamond detection technology in order to provide the much-needed integrity in the diamond exchange value chain.

7. SWOT ANALYSIS

7.1 Strengths of the SADPMR

7.1.1 Authority of diamonds and precious metals

The SADPMR with the DEEC as a unique facilitator of import and export of diamonds in South Africa, is the only authority with exclusive regulatory powers in RSA. It is also noted that the entity is recognised by many countries within the African continent. This mandate ensures that the entity is able to fulfil a national and international obligation.

The SADPMR is also the only State Entity mandated to licence businesses in the refining and beneficiation sub-sectors of the precious metals industry.

7.1.2 High employee retention rate

The SADPMR continues to invest in skills development for its employees, this ensured sustainability in service delivery over the past five years. 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.

Furthermore, over the past three financial years, the SADPMR has recorded a staff turnover rate of below 5%. The retention rate has enabled the entity to have consistent business continuity and offer services to its clients.

7.2 Weaknesses of the SADPMR

7.2.1 Lack of awareness of the SADPMR

Over the previous two financial years, the SADPMR embarked on the implementation of the Marketing Strategy with the objective of creating advocacy about the entity and its services. The services of the entity in relation to diamonds has reached significant levels, however, more awareness needs to be created for precious metals.

7.2.2 Monitoring and enforcement within the precious metals industry

The SADPMR does not have sufficient human resources, adequate technical knowledge and experience among its staff in precious metals to effectively monitor the downstream precious metals industry.

7.2.3 Lack of enforcement on non-compliance

The SADPMR has recognised that its regulatory processes are lacking when it comes to enforcing compliance. One of the key functions of the SADPMR is to monitor and enforce compliance with the legislative provisions governing the downstream diamond and precious metals industry. Enforcement of compliance is a necessary component of a regulatory system which involves the action of obliging adherence to the prescribed legislative provisions to ensure that there are consequences to the violation of rules.

7.3 Opportunities

7.3.1 Membership in BRICS

Involvement of RSA 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 RSA's involvement, especially in the diamond and jewellery manufacturing with polishing of *melee*.

7.3.4 Amendment of the legislation

The Department of Mineral Resources and Energy has invited the SADPMR to be part of a team that will be responsible for reviewing the Diamonds Act and the Precious Metals Act, governing the downstream part of the value chain of the diamond and precious metals. The review happens against the backdrop of many years that have lapsed since the two pieces of legislation were reviewed. SADPMR will thus ensure that its experience drawn from years of administering the two pieces of legislation in question finds expression in the changes to be proposed. Most notably, the changes to be proposed will address critical legislative gaps and loopholes identified and enable the realisation of national imperatives such as the advancement of broad-based economic empowerment and local beneficiation of diamonds and precious metals. Critically, the amendment of legislation will also enable the legal defect that lead to the setting aside of some clauses of the Broad-Based Socio-Economic Empowerment Charter by the North Gauteng High Court to be corrected, and thus empower the SADPMR to continue with the transformation agenda for the downstream diamonds and precious metals industry.

7.4 Threats

7.4.1 The decline in 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 and declining jewellery

manufacturing output bears testimony to this. Hence, despite the Covid-19 challenges, we have witnessed an inspiring level of resilience of the industry.

7.4.2 Substitutions and recycling

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

7.4.3 Budget Cuts and rationalisation of state entities

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.

Rationalisation of the SADPMR will potentially result in the entity existing in a different format

7.4.4 Unsustainable financial position of the SADPMR

Over the past financial year, the SADPMR has been impacted negatively by COVID-19 as well as the declining diamond beneficiation industry. The entity has not been able to generate sufficient funds that will cover all expenditures. The current economic conditions have a potential of affecting the entity's going concern status.

7.4.5 COVID-19 Impact on the Industry

COVID-19 impacted on production levels of minerals in the country which negatively affected beneficiation and jobs thereof. As result this will also affect SADPMR revenue generation.

7.4.6 Fronting

Fronting continues to be a threat and a hindrance to the SADPMR's strategic objectives as well as the government's National Development Plan's aim of eradicating poverty and reducing inequality by the year 2030.

7.4.7 Litigation matters relating to the Mining Charter

The much-anticipated Judgement in the case of Mineral Council SA v/s DMRE and Others was issued by the North Gauteng High Court on 21 September 2021 in favour of the Mineral Council SA with costs.

In the judgement, various clauses of the 2018 Charter (“the Charter”) were set aside, including those clauses that relate to existing or new licenses and permits issued in terms of the Diamonds Act, 1986 (as amended) and the Precious Metals Act 2005.

One further key highlight of the judgement is the issue of the so-called “once empowered, always empowered” in terms of which once an enterprise has met the threshold for black ownership of 26% as laid out in previous charters or 30% for existing or new licenses, that initial compliance will always hold even if the empowerment-holders subsequently sell their stake.

The court also found that the Minerals and Petroleum Resources Development Act, 2002, does not empower the Minister to make law, meaning that the Charter is not binding subordinate legislation but an instrument of policy.

The setting aside of key clauses in the Broad-Based Socio-Economic Empowerment Charter by the North Gauteng High Court represents a serious setback to the attainment of Government’s objectives of redressing historical, social and economic inequalities as stated in the Constitution.

PART C: MEASURING OUR PERFORMANCE (PROGRAMME 1, 2 AND 3)

OUTCOME 1: EFFECTIVE, EFFICIENT AND DEVELOPMENT-ORIENTATED REGULATOR

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecast Baseline	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
Increased participation of BBBEE suppliers	% Total contracts awarded to BBBEE Suppliers	N/A	N/A	N/A	N/A	100	100	100
	% Rand value of total BBBEE spend level 1 and 2 suppliers	N/A	N/A	N/A	N/A	70	70	75
Improved Turnaround time on procurement	No. of days for Tenders/Bids	N/A	N/A	N/A	N/A	90	90	90
	No. of days for quotations	N/A	N/A	N/A	N/A	30	30	30
	No. of days within which suppliers must be paid	N/A	N/A	N/A	N/A	30	30	30
Ensured compliance to	No. of instances of Non-Compliance with PFMA.	N/A	N/A	6	0	0	0	0

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecast Baseline	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
PFMA								
Financial Sustainability Strategy	Developed, approved and implemented Financial Sustainability Strategy	N/A	N/A	Not Achieved	Develop & Approve	Implement	Implement	Review & Implement
	% (Ratio) total cost to company salary bill over total expenditure	N/A	N/A	N/A	N/A	76	75	75
	% debtors impaired	N/A	N/A	N/A	N/A	40	30	25
	Total income Rand value	N/A	N/A	N/A	N/A	112 809	117 181	121 936
	Total cash reserve (R)	N/A	N/A	N/A	N/A	55 600	62 427	69 967
Developed Human Resources	No. of new bursaries awarded to staff	8	5	9	4	8	9	10
	No. of graduate recruited into Internship Programme	8	9	10	8	10	10	12
	No. of leadership development programmes implemented	N/A	N/A	1	1	2	2	2

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecast Baseline	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
	No. of skills development programmes implemented for women, youth and people with disabilities	N/A	N/A	2	2	2	2	2
	% of women in the organisation	N/A	N/A	N/A	N/A	60	62	64
	% of youth in the organisation	N/A	N/A	N/A	N/A	15	15	15
	% employees with disabilities	N/A	N/A	N/A	N/A	2	2	2
Ensured compliance of Performance Management and Development System	% performance contracts and assessments done for qualifying employees	N/A	N/A	96	100	100	100	100
Ensured Organisational Development	No. of organisational change management interventions implemented	N/A	N/A	1	1	2	2	2
Implemented employee wellness programme	No. of employee wellness interventions coordinated.	N/A	N/A	N/A	4	4	4	4

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecast Baseline	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
Safe and secured work environment in line with the health and safety requirements	No. of occupational, health and safety initiatives implemented	N/A	N/A	6	6	6	6	6
Promoted SADPMR brand	No. of engagements with stakeholders	N/A	N/A	19	18	20	22	24
	No. of published articles on the Diamond and Precious Metals industries	N/A	N/A	4	4	6	6	6
Improved effectiveness and efficiency of the Enterprise Resource Planning (ERP) systems	Automation of ERP systems	N/A	N/A	Developed renewal plan	Implement	Implement	Implement	Implement
Ensured business continuity	No. of disaster recovery tests implemented	N/A	N/A	2	2	4	4	4
Developed business applications	No. of online Applications developed	N/A	N/A	N/A	Establish baseline	1	1	1

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecast Baseline	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
Secured ICT environment	No. of ICT security measures implemented	N/A	N/A	2	2	4	4	4
Ensured security of assets of the SADPMR and that of diamonds traded at DEEC	No. of security breaches	N/A	N/A	N/A	N/A	0	0	0
	No. of Security Risk Mitigation Measures implemented	N/A	N/A	N/A	N/A	5	5	5
Provided effective and efficient legal support to the SADPMR	% of referred matters addressed within 30 days	100	100	100	100	100	100	100
	% of written contracts or Service level Agreements addressed within 30 days	100	100	100	100	100	100	100
Ensured sound Corporate Governance	No. of internal audits conducted	N/A	N/A	N/A	N/A	6	6	6
	Reviewed and approved Internal Audit Charter	N/A	N/A	N/A	N/A	1	1	1
	Approved Three-year rolling Audit Plan and Annual plan	N/A	N/A	N/A	N/A	1	1	1
	Unqualified Audit	N/A	N/A	N/A	N/A	Unqualified	Unqualified	Unqualified
	Number of repeat findings	N/A	N/A	N/A	N/A	0	0	0

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecast Baseline	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
	No. of Board Assessments Conducted	N/A	N/A	N/A	N/A	2	2	2
	No. of Quarterly Reports (APP and Financials) submitted to the Shareholder	N/A	N/A	N/A	N/A	4	4	4
	No. of Annual Report submitted to the Shareholder	N/A	N/A	N/A	N/A	1	1	1
	Reviewed and updated Board Charter and Committees Terms of Reference	N/A	N/A	N/A	N/A	1	1	1
	No. of days for submission of Board and Committee packs	N/A	N/A	N/A	N/A	5	5	5

OUTCOME 2: COMPLIANCE TO LEGISLATION BY SADPMR LICENSEES

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecasted Targets	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
Verified fair market value of diamonds	% of diamond verified for fair market value	100	100	100	100	100	100	100
Detected undisclosed polished synthetic diamonds	% of polished diamonds subjected for verification	N/A	N/A	100	100	100	100	100
Ensured equitable access of diamonds in the DEEC	No. of beneficiators and dealers accessing the DEEC for the first time	N/A	N/A	N/A	N/A	8	10	12
	No. of HDP Beneficiators accessing the DEEC for the first time	N/A	N/A	N/A	N/A	2	3	4
Proper administration of KPCS	No. of quarterly imports, exports statistics reports and KP annual report submitted	N/A	N/A	N/A	N/A	5	5	5
	No. of Bilateral Engagements	N/A	N/A	N/A	N/A	3	5	7
	No. of Multilateral Engagements	N/A	N/A	N/A	N/A	5	5	5

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecasted Targets	MTEF		
		2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
Ensured compliance monitoring through inspections	No. of inspections conducted in licensed precious metals premises	782	756	366	400	450	500	550
	No. of inspections conducted in licensed diamonds premises	862	844	511	500	550	600	650
Improved compliance in accordance with the applicable procedure	% of enforcement actions addressed relative to non-compliance incidents identified	N/A	N/A	N/A	N/A	100	100	100
Reduced illicit trading in the Diamond and Precious Metals Industry	No. of precious metals joint inspections conducted with law enforcement stakeholders	N/A	N/A	1	4	20	25	30
	No. of diamond joint inspections conducted with law enforcement stakeholders	N/A	N/A	1	1	15	20	25

OUTCOME 3: JOB CREATION, SKILLS DEVELOPMENT AND VALUE ADDITION TO DIAMOND AND PRECIOUS METAL INDUSTRIES

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecasted Targets	MTEF		
		2018/19	2019/20	2020/2021	2021/22	2022/23	2023/24	2024/25
Precious metals licenses issued within legislated time-frames	% of fully completed licenses issued	N/A	N/A	60	65	100	100	100
Diamonds licenses issued within legislated time-frames	% of fully completed licenses issued	N/A	N/A	59	65	100	100	100
Diamond and Precious Metals beneficiation licenses issued	% of beneficiation licenses/ permits issued	90*	67*	100	100	100	100	100
Diamond and Precious Metals Licenses issued to HDP's including women, youth and people with disabilities	No. of HDP licenses issued	N/A	N/A	N/A	N/A	Est baseline	4	6

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecasted Targets	MTEF		
		2018/19	2019/20	2020/2021	2021/22	2022/23	2023/24	2024/25
Assisted inactive HDP diamond beneficiation licensees	No. of re-activated diamond beneficiation licensees	N/A	N/A	N/A	N/A	2	7	10
Assisted inactive HDP precious metals beneficiation licensees	No. re-activated precious metals beneficiation licensees	N/A	N/A	N/A	N/A	2	9	12
Export approval evaluations to cater for local demand	% of export approval applications evaluated	N/A	N/A	20*	12*	100	100	100
Formulated and implemented SADPMR beneficiation strategy plan	Approval & Implementation of the SADPMR beneficiation strategy	N/A	N/A	N/A	N/A	Approved	Implement	Implement
Trained new entrants in diamond planning, marking, sorting, valuation and pricing	No. of trained new entrants trained	N/A	N/A	N/A	6	6	7	8
	No. of trained new entrants monitored and evaluated post-training	N/A	N/A	N/A	N/A	5	7	9

* The output indicator changed from numbers to percentage

OUTCOME 4: TRANSFORMATION IN THE DIAMOND AND PRECIOUS METALS INDUSTRIES

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecasted Performance	MTEF Period		
		2018/19	2019/20	2020/2021	2021/22	2022/23	2023/24	2024/25
Assessment of the extent of transformation in the diamond and precious metals industries	No. of licensees assessed	N/A	N/A	N/A	N/A	160	200	250
New Enterprise development/ partnership projects created, monitored and maintained		N/A	N/A	N/A	N/A	16	19	30
	No of enterprises developed/ partnerships created.					6	9	12
						7	10	13

OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
		Actual Performance			Forecasted Performance	MTEF Period		
		2018/19	2019/20	2020/2021	2021/22	2022/23	2023/24	2024/25
	No. of enterprises/ partnerships monitored and maintained							

PART C: MEASURING OUR PERFORMANCE

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

1. Institutional Programme Performance Information

1.1 Programme 1: Finance, Corporate Services, Security Services and Legal Services

Purpose: To provide efficient administration support services by ensuring Human Resources Management, Communication, and Information and Communications Technology services are effectively operational and maintained at all times and responsive to the needs and aspirations of their stakeholders.

1.1.1 Sub-Programme: Finance

Purpose: To provide overall financial and supply chain management.

1.1.2 Sub-Programme: Human Resources Management

Purpose: To maximize the productivity of the entity by optimizing the effectiveness of its employees

1.1.3 Sub- Programme: Communications

Purpose: To share information amongst people within and outside an employer's premises.

1.1.4 Sub-Programme: Information Communication and Technology

Purpose: Aligned ICT strategy with business strategy and automation of business processes.

1.1.5 Sub-Programme: Security Risk Management

Purpose: To implement the Minimum Information Security Standards (MISS), Minimum Physical Security Standards (MPSS), National Vetting Strategy (NVS) and relevant pieces legislation.

Sub-Programme: Legal Services

1.1.6 Purpose: Provide efficient and effective general legal support by ensuring compliance with legislation; identify and mitigate legal risks; and provide well informed legal advice.

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
Finance: % Total contracts awarded to BBBEE Suppliers	100	100	100	100	100
% of Rand value of total BBBEE spend level 1 and 2 suppliers	70	15	20	15	20
No. of days for Tenders/Bids	90	90	90	90	90
No. of days for quotations	30	30	30	30	30
No. of days within which suppliers must be paid	30	30	30	30	30
Number of instances of non-compliance with the PFMA	Nil	Nil	Nil	Nil	Nil
Implementation of approved Financial Sustainability Strategy	Implementation	Implementation	Implementation	Implementation	Implementation
% (Ratio) total cost to company salary bill over total expenditure	76%	76%	76%	76%	76%
% debtors impaired	40%	N/A	N/A	N/A	40%

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
Total income Rand value	112 809	28 202	28 202	28 202	28 203
Total cash reserve (R)	55 600	53 934	56 156	58 378	55 600
Identified and implemented application systems to optimise utilisation of Enterprise Resource Planning (ERP) system	Implementation of the approved application system renewal plan	Implementation and utilisation of the asset verification function/module in order to automate changes between asset register and assets on the floor	Assess and report on performance of implemented automated asset verification function/module	Implement utilisation of specific functions required to enhance the Debtors Management module at the SADPMR	Assess and report on performance of implementation of specific functions required to enhance the Debtors Management module at the SADPMR
No of repeat audit findings	Nil	Nil	Nil	Nil	Nil
No. of new bursaries awarded to staff	8	0	0	0	8
No. of graduate recruited into Internship Programme	10	0	0	10	0
No. of leadership development programmes implemented	2	0	1	0	1
Number of skills development programmes for	2	1	0	1	0

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
women, youth and people disabilities implemented					
% women in the organisation	60	0	0	0	60
% youth in the organisation	15	0	0	0	15
% employees with disabilities	2	0	0	0	2
% performance contracts and assessments done for qualifying employees	100	0	0	0	100
Number of employee wellness programme interventions coordinated	4	1	1	1	1
Number of organisational change management interventions implemented	2	0	1	0	1
Number of disaster recovery tests implemented	4	1	1	1	1
Number of online licensing applications developed	1 (Licensing Module)	Consultation with Licensing of process flow	Development of prototype licensing application	Testing of the prototype licensing application	Modification and roll out of the licensing application

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
Number of ICT security measures implemented	4	1	1	1	1
Number of Internal and external stakeholders' engagements and brand promotion activities conducted.	20	5	5	5	5
Number of published articles about the diamond and precious metal industries	6	1	2	2	1
Number of security risk mitigation measures implemented	5	1	1	1	2
Number of occupational, health and safety initiatives implemented	6	2	1	2	1
Percentage of matters referred for legal advice and addressed within 30 days	100	100	100	100	100
Percentages of written contracts or Service Level Agreements drafted	100	100	100	100	100

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
and/or vetted.					
No. of internal audits conducted	6	0	2	2	2
Reviewed and approved Internal Audit Charter	1	1	0	0	0
Approved three-year rolling Audit Plan and Annual Plan	1	1	0	0	0
No. of Board Assessments Conducted	2	1	0	1	0
No. of Quarterly Reports (APP and Financials) submitted to the Shareholder	4	1	1	1	1
No. of Annual Report submitted to the Shareholder	1	0	1	0	0
Reviewed and updated Board Charter and Committees Terms of Reference	1	1	0	0	0
No. of days for submission of Board and Committee packs	5	5	5	5	5

2. Explanation of planned performance over medium-term period

Over the medium term, the finance division's plan is to increase the awarding of contracts to BBBEE suppliers from 5 to 18. This will ensure that procurement spend on contracts awarded to BBBEE suppliers is increased from 65% to 75% over the medium term. In order to reduce the budget shortfall, the division will develop a revenue strategy aimed at maximizing revenue.

The Human Resources division deals with the provision of human capital services as per the approved HR Plan. During the coming financial year, the division will be implementing a project on optimal utilization of human resources within the SADPMR.

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 organizational development. The implementation of the Recruitment and Selection Policy and the verification of qualifications, citizenship as well as validity of identification number/documents 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.

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.

Communication division implement the Marketing strategy to reach greater audience and improve stakeholder engagement. The Communications division promotes the image of the SADPMR and facilitates stakeholder engagements. 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.

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.

The Security Risk Management mandate is derived from three national security policies i.e. the Minimum Information Security Standards (MISS), Minimum Physical Security Standards (MPSS), National Vetting Strategy (NVS) and relevant legislations. All the above policies are applied in government institutions in order improve Counter-Intelligent measures that is directed in the security of SADPMR and those of clients in the DEEC.

The SADPMR has relocated to the new offices and security technology has been improved to ensure physical security detection, control and monitoring systems is integrated to IT protocol by unifying control systems. The relocation to the new office to GIDZ will reduce the cost of provision of security since the new Precincts will be a high security zone. However, the desired security standard will only be achieved in the next coming financial year since in the upcoming year the Precincts will still be having construction activities.

The new trends of vandalism present a new threat towards targeting the businesses and destroy them similar to terrorist attacks on business. The SADPMR will continue to improve its short- and long-term liaising with government security agencies and also improve collecting, analysing the open source information and conduct vulnerability assessment and develop proactive response.

The SADPMR will continue to implement the Occupational Health and Safety by maintaining contingency planning and priorities the emergency evacuation drill in order to reduce physical harm during emergencies. The negative effects of the Covid-19 pandemic will still expected to continue even in the next financial year. In response to pandemic, the entity will continue to apply the COVID-19 Ready Plan and adjust it according to the needs that includes encouraging officials to take voluntary vaccination.

These national security policies are further enhanced with Fraud Prevention plan which is directed in combating corruption in the entity. The Fraud prevention plan focuses on countering unethical behaviors, prevention of corruption in the procurement process, identification of fraud risk-prone areas, activities and the factors that motivates and facilitate acts of fraud. The fraud response plan also encourages the segregation of duties and fraud detection.

3. Programme Resource Consideration

Programme	Audited outcome 2018/19	Audited outcome 2019/20	Audited outcome 2020/21	Original adjusted/ Appropriation	Approved Budget 2022/23	Budget estimate 2023/24	Budget estimate 2024/25
Administration	64 588	68 188	67 767	69 774	72 221	75 098	78 297

The programme's spending focus over the medium term will be supporting the core divisions to deliver on the mandate of the entity. As a regulatory authority, the major driver of cost is personnel. An average growth rate of 5.4 per cent increase is planned for personnel costs over the medium term to improve the conditions of services.

4. Updated Key Risks

Updated Key Risks

Outcome	Key Risk	Mitigation	Consequences of lack of mitigation of Risks	Date of Action Plan	Officials Responsible	Risk Rating
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 on a daily basis	Irregular; Fruitless & Wasteful Expenditure	Ongoing	All	High
		Roll out SCM Training Workshop for the entire organisation	Irregular; Fruitless & Wasteful Expenditure	Half yearly	SCM	
	Revenue shortfall	Develop strategy to maximize revenue collection	Unsustainability of Regulator	March 2022	All	High
	Non-compliance with internal policies	Conducting internal policy workshops	Irregular processes resulting in non-compliance with	Half yearly	All	Medium

			applicable legislation			
	Cybercrime	Ongoing testing and monitoring of systems	Hacking and disabling of internal ICT systems affecting business continuity	Active Directory Monitoring toll done each Month	ICT	Medium
		Upgrading of security software	Hacking and disabling of internal ICT systems affecting business continuity	Microsoft Patch Management reports done each Month	ICT	Medium
	Failure to prevent fraud, corruption and Non-compliance with legislation	Implement Fraud prevention plan by conducting workshops with staff	Fraud & Corruption resulting in losses being incurred by the Regulator	Half yearly	Security Risk Management	Low
		vetting of employees on commencement of employment	Fraud & Corruption resulting in losses being incurred by the Regulator	As and when employees commence employment	Security Risk Management	
		Promote anti-corruption hotline to employees and clients.	Fraud & Corruption resulting in losses being incurred by the Regulator	Annually	Security Risk Management	
	Unvetted contracts and SLAs result in the Regulator finding itself in a vulnerable position.	Intensified vetting process	Fraud & Corruption resulting in losses being incurred by the Regulator	Ongoing		

PART D: Technical Indicator Description (TID)

1. Finance

Indicator Title	% Total contracts awarded to BBBEE suppliers excluding Microsoft Ireland and Transversal contracts
Definition	% Total contracts awarded to BBBEE suppliers excluding Microsoft Ireland and Transversal contracts
Source Data	Pastel and contracts register
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 Cycle	Quarterly
Desired Performance	5 contracts awarded to BBBEE suppliers
Indicator Responsibility	Finance Manager

Indicator Title	Number of days turnaround time for Quotations
Definition	Number of days for each activity in the Quotation procurement value chain
Source Data	Procurement Dashboard
Method of Calculation/ Assessment	Number of days for each activity in the Quotation procurement value chain
Assumptions	Quotations must be responsive and the BEC and BAC members must be available when requested to evaluate and adjudicate.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Quotation procurement process not longer than 90 days
Indicator Responsibility	Finance Manager

Indicator Title	Number of days within which suppliers must be paid
Definition	Suppliers must be paid within 30 days of receipt of invoice
Source Data	Pastel reports
Method of Calculation/ Assessment	Date of payment as per cash book as compared to receipt date of invoice
Assumptions	Timeous submission of bank confirmed bank account details by suppliers
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Suppliers paid within 30 days of receipt of invoice
Indicator Responsibility	Finance Manager

Indicator Title	Number of instances of non-compliance with the PFMA
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 Cycle	Quarterly
Desired Performance	Prevent and detect non-compliance
Indicator Responsibility	Finance Manager

Indicator Title	Financial sustainability strategy implemented
Definition	Sustainability strategy to ensure sustainability of the SADPMR by maximising revenue and minimising costs
Source Data	reports of impact on revenue and expenditure of implementation of sustainability strategy
Method of Calculation/ Assessment	Reports of impact on revenue and expenditure of implemented sustainability strategy
Assumptions	Increased revenue and reduction in expenditure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Financial sustainability
Indicator Responsibility	Finance Manager

Indicator Title	% (Ratio) total cost to company salary bill over total expenditure
Definition	Manage % of salary bill to total operating expenditure
Source Data	Pastel reports
Method of Calculation/ Assessment	Ratio of total cost to company salary bill to total operating expenditure
Assumptions	No additional positions created besides current budgeted positions
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	% (Ratio) total cost to company salary bill over total expenditure to be not more than 76%
Indicator Responsibility	Finance Manager

Indicator Title	% debtors impaired
Definition	Manage % impairment of debtors with the objective of reducing % debtors impaired
Source Data	Pastel reports
Method of Calculation/ Assessment	Debtors impaired according to no of days outstanding as per debtors' management policy
Assumptions	Debtors contact details are correct
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	Debtors impaired reduced to 40% of total debtors
Indicator Responsibility	Finance Manager

Indicator Title	Total Income Rand value must be R112 809 000 for the year
Definition	Total income Rand value comprising grant and revenue generated from sale of services must be R112 809 000 for the financial year
Source Data	Pastel reports
Method of Calculation/ Assessment	Total Income must include total grant received plus revenue generated from sale of services
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Total Income Rand value collected must not be less than R112 809 000 for the year
Indicator Responsibility	Finance Manager

Indicator Title	Total cash reserve (R) must be R55 600 000
Definition	Total cash reserve (R) must be R55 600 000 at financial year end
Source Data	Pastel reports
Method of Calculation/ Assessment	Total of net cash inflows for the year and existing reserves
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Total cash reserve (R) must not be less than R55 600 000 at financial year end
Indicator Responsibility	Finance Manager

Indicator Title	Implementation of the approved application system renewal plan (ERP)
Definition	Implemented application system renewal plan with milestones
Source Data	Automated reports
Method of Calculation/ Assessment	No of additional automated modules implemented on the ERP system to improve efficiency and reduce manual intervention
Assumptions	Implementation of identified automated modules on the ERP system by 31 March 2023
Disaggregation of Beneficiaries (where applicable)	n/a
Spatial Transformation (where applicable)	n/a
Reporting Cycle	Quarterly
Desired Performance	Improve efficiency
Indicator Responsibility	Finance Manager

Indicator Title	No of repeat audit findings
Definition	Internal Audit and External Audit findings raised in prior years should not be repeated
Source Data	Internal and External Audit Reports
Method of Calculation/ Assessment	No of repeat audit findings reflected in the current years internal and external audit reports
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Nil repeat audit findings based on internal and external audits conducted
Indicator Responsibility	Finance Manager

2. Human Resources

Indicator Title	Number of skills development programmes for women, youth and people disabilities implemented
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 and people with disabilities who attended diamond and precious metals related courses
Assumptions	Sufficient funds and approved skills programme
Disaggregation of Beneficiaries (where applicable)	5 Women 5 Youth 1 Employee with disabilities
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	% of women in the organisation increased
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 who attended diamond and precious metals related courses
Assumptions	Sufficient funds and approved skills programme
Disaggregation of Beneficiaries (where applicable)	2% of Women
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	No. of new internal bursaries awarded
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Approved submission to award bursary
Method of Calculation/ Assessment	Number of Bursary Awarded
Assumptions	Sufficient funds and approved bursary policy
Disaggregation of Beneficiaries (where applicable)	Full time employees
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	
Indicator Responsibility	

Indicator Title	No. of graduate recruited into Internship Programme
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Internship programme offer letter and signed contract
Method of Calculation/ Assessment	Number of young graduates recruited on the internship programme
Assumptions	Sufficient funds and approved internship policy
Disaggregation of Beneficiaries (where applicable)	10 female and male youth enrol for internship programme
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	
Indicator Responsibility	

Indicator Title	% of youth in the organisation increased
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Attendance registers
Method of Calculation/ Assessment	Attendance registers of youth who attended diamond and precious metals related courses
Assumptions	Sufficient funds and approved skills programme
Disaggregation of Beneficiaries (where applicable)	5% of Youth
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	% of employees with disabilities increased
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Attendance registers
Method of Calculation/ Assessment	Attendance registers of employees with disabilities who attended diamond and precious metals related courses
Assumptions	Sufficient funds and approved skills programme
Disaggregation of Beneficiaries (where applicable)	1% of people with disabilities
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	No. of leadership development programmes implemented
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Attendance registers
Method of Calculation/ Assessment	Number of leadership development implemented
Assumptions	Sufficient funds and identified relevant programme to be attended
Disaggregation of Beneficiaries (where applicable)	Divisional supervisors and management team
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	% performance contracts and assessments done for qualifying employees
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Performance Contracts register and minutes of moderation committee
Method of Calculation/ Assessment	% of employees entered into performance agreements vs non-submission
Assumptions	Continuous monitoring of key performance areas
Disaggregation of Beneficiaries (where applicable)	% of full-time employees
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	Number of employee wellness programme interventions coordinated
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Attendance register or statistical report from service provider
Method of Calculation/ Assessment	Number of wellness intervention
Assumptions	Approved wellness programme
Disaggregation of Beneficiaries (where applicable)	All employees
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

Indicator Title	Number of organisational change management interventions implemented
Definition	Process to align employees to strategic objectives and priorities of the employer
Source data	Attendance register
Method of Calculation/ Assessment	Number of interventions implemented
Assumptions	Sufficient funds and identified relevant programme to be attended
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	
Indicator Responsibility	

3. COMMUNICATION AND MARKETING

Indicator Title	Number of Internal and external stakeholders' engagements and brand promotion activities conducted.
Definition	Engage stakeholder on matters that affect SADPMR and stakeholders through meetings, workshops, reports, and interactions with SADPMR stakeholders.
Source of data	Attendance register/minutes/ reports/ virtual meeting invites.
Method of calculation/assessment	Count number of engagements with external and internal stakeholders and brand promotion activities conducted
Assumptions	Stakeholders heed 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 publications about the SADPMR published (Internal/External)
Definition	Publications about the services of SADPMR for internal and external stakeholders
Source of data	Publications (articles/internal newsletter) for internal and external stakeholders
Method of calculation/assessment	Publications (articles/internal newsletter)
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

4. INFORMATION COMMUNICATION TECHNOLOGY (ICT)

Indicator Title	Number of disaster recovery tests implemented
Definition	Replication of information from the primary to the secondary site to ensure 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 Cycle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	Manager: ICT

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 Cycle	General Manager: Corporate Services
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	Manager: ICT

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 Cycle	Bi-annually
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	Manager: ICT

5. SECURITY RISK MANAGEMENT

Indicator Title	No. of security risk mitigation measures implemented
Definition	Number of Fraud and Corruption awareness programmes as listed below: training /workshops and posters/pamphlets (2 times per year) and conduct bi- annual physical security risk assessment
Source Data	<ul style="list-style-type: none"> Workshop presentation material or distributed material / posters Physical security risk assessment reports
Method of Calculation/ Assessment	<ul style="list-style-type: none"> Count number of workshops and or publications Count number of physical security risk assessment
Assumptions	<ul style="list-style-type: none"> Officials will be able to attend and apply skills learned from training and workshops Physical security measures will be implements
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly and bi-annual
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	No. of security breaches
Definition	Prevent security breaches from occurring in the SADPMR premises
Source Data	All reported /recorded security breaches
Method of Calculation/ Assessment	Count number of physical security incidents
Assumptions	<ul style="list-style-type: none"> Security incidents will be reported /recorded
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Actual performance be zero
Indicator Responsibility	General Manager: Diamond Trade

Indicator Title	No. of Occupational Health and Safety initiatives implemented
Definition	Conduct Occupational Health and Safety audits/assessment and evacuation drills
Source Data	Record for emergency evacuation drills reports Contingency planning (Quarterly inspections and audits/assessment reports
Method of Calculation/ Assessment	<ul style="list-style-type: none"> • Count number of Occupational Health and Safety audits/assessments 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 Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	General Manager: Diamond Trade

6. LEGAL SERVICES

Indicator Title	Percentage of external written legal opinion sought and provided.
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 Cycle	Twice a year
Desired Performance	100%
Indicator Responsibility	General Manager: Legal Services

7. INTERNAL AUDIT

Indicator Title	No. of internal audits conducted
Definition	The number of internal audits conducted during the financial year
Source Data	Approved internal audit plan
Method of Calculation/ Assessment	Count the number of internal audit reports conducted
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	6 Internal audits conducted
Indicator Responsibility	Senior Internal Auditor

Indicator Title	Review and update of the Internal Audit Charter and Audit and Risk Committee Charter
Definition	Review the internal audit charter and the audit and risk committee charter to ensure they are in line with the applicable legislations and approved by the Audit Committee
Source Data	Reviewed and updated internal audit charter and the audit and risk committee charter. Minutes of the Audit and Risk committee of when the charters were approved
Method of Calculation/ Assessment	Audit charter and audit and risk committee charter are in line with the applicable legislations
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Reviewed, updated and approved internal audit charter and the audit and risk committee charter
Indicator Responsibility	Senior Internal Auditor

Indicator Title	Prepare the three-year rolling Audit Plan and Annual plan for approval by the Audit and risk committee
Definition	Prepare the three-year rolling Audit Plan and Annual plan for approval by the Audit and risk committee
Source Data	Approved three-year rolling plan and annual audit plan Minutes of the Audit and Risk committee of when the three-year rolling plan and annual plan were approved
Method of Calculation/ Assessment	Three-year rolling plan and annual audit plan approved by the audit committee
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Approved three-year rolling plan and annual audit plan
Indicator Responsibility	Senior Internal Auditor

Indicator Title	No. of Board Assessments Conducted
Definition	Conduct Internal and External Board Assessment with Board members and external service provider
Source Data	Internal Board Assessment Reports and External Service Provider Report
Method of Calculation/ Assessment	1 Internal Assessment done by Board members and 1 External Assessment conducted by External Service Provider
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Approved Internal and External Board Assessment by the Board
Indicator Responsibility	GM Legal and Governance

Indicator Title	No. of Quarterly Reports (APP and Financials) submitted to the Shareholder
Definition	Submission of Quarterly APP and Financials to DMRE
Source Data	Quarterly submissions of APP and Financials to DMRE
Method of Calculation/ Assessment	4 APP and Financials Reports submissions sent to DMRE
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Approved APP and Financials by the Board
Indicator Responsibility	GM Legal and Governance

Indicator Title	No. of Annual Report submitted to the Shareholder
Definition	Submission of Annual Report to DMRE
Source Data	Annual Report to DMRE
Method of Calculation/ Assessment	One Annual Report sent to DMRE
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	Approved Annual Report by the Board
Indicator Responsibility	GM Legal and Governance

Indicator Title	Review and update of the Board Charter and Committees Terms of Reference
Definition	Annual Review and approval of the Board Charter and Committees Terms of Reference
Source Data	Reviewed and Approved Board Charter and Committee Terms of Reference
Method of Calculation/ Assessment	Reviewed and approve 1 Board Charter and 3 Committee Terms of Reference
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	Reviewed and Approved Board Charter and Committee Terms of Reference by the Board
Indicator Responsibility	GM Legal and Governance

Indicator Title	No. of days for submission of Board and Committee packs
Definition	No. of days Board and Committee members receive packs before the meeting
Source Data	Sending emails of packs to Board and Committee members
Method of Calculation/ Assessment	Number of Board and Committee meetings
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	Sending Board and Committee packs 5 days before the meeting
Indicator Responsibility	GM Legal and Governance

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

1. Institutional Programme Performance Information

1.1 Programme 2: Diamond Trade

Purpose: The Diamond Trade Programme is responsible for the facilitation of the local trade, exports and imports of diamonds in accordance with the Kimberley Process Certification Scheme (KPCS), and to ensure that diamonds are traded at fair market value.

1.1.1 Sub-Programme: Government Diamond Valuator (GDV)

Purpose: To ensure that diamonds are traded at a fair market value

1.1.2 Sub-Programme: Diamond Exchange and Export Centre (DEEC)

Purpose: To facilitate the buying, selling, exporting and importing of diamonds.

1. Indicators, Annual and Quarterly Targets

Output indicators	Annual targets	Q1	Q2	Q3	Q4
No. of trained new entrants	6	1	2	2	1
No. of trained new entrants monitored and evaluated post-training	5	1	2	1	1
% of diamonds verified for fair market value	100	100	100	100	100
% polished diamonds subjected for verification	100	100	100	100	100
No. of HDP Beneficiators accessing the DEEC for the first time	2	0	1	1	0
No. of beneficiaries and dealers accessing the DEEC for the first time	8	2	2	2	2
No. of quarterly imports, exports statistics reports and KP annual report submitted	5	1	1	1	2
% HDP's Beneficiators and dealers accessing the DEEC for the first time (numbers)	5	1	2	1	1

3. Explanation of planned performance over the medium-term period

The GDV mandate is to verify the fair market value of diamonds from producers who offer their production to the State Diamond Trader in terms of section 59(B) of diamond Act. It further verifies the fair market value for diamonds placed for tenders, export and import. The GDV also provides expert opinion to the SAPS on all diamond related matters.

The GDV continues to contribute in job creation, skills development and value addition to diamonds by training new entrants in diamond planning, marking, sorting, valuation and pricing. This facilitation of skills development initiatives for the diamond industry is contributing to the sustainable development and also provides pool of entrepreneur who can integrated to the industry.

The SADPMR is continuing with implementing of Synthetic Diamonds Strategy which is focusing in prevention of undisclosed synthetic diamond to enter the market. These restrictions ensure that the natural diamonds are not contaminated with lab-grown diamond during trade. These interventions ensure integrity of diamonds that are facilitated by the DEEC.

The DEEC is mandated to facilitate equitable access to the diamond trading through the processing of tenders, exports and imports in South Africa. The key focus is to promote local beneficiation by increasing the number local diamond Beneficiators that participate in diamond DEEC tenders and also promote access of HDPs in the DEEC.

4. Programme resource considerations

Programme	Audited outcome 2018/19	Audited outcome 2019/20	Audited outcome 2020/21	Original adjusted/ Appropriation	Approved Budget 2022/23	Budget estimate 2023/24	Budget estimate 2024/25
Diamond trade	13 805	13 592	13 570	15 493	14 279	14 793	15 331

The programme’s spending focus over the medium term will be conducting diamond valuations and facilitating tenders for rough and polished diamonds. These activities will ensure competitiveness, sustainable development and job creation in the diamond industry while compliance with legislative requirements is fostered.

5. Key Risks and Mitigation

Outcomes	Key	Risk Mitigations	Consequences of lack of mitigation of Risks	Date of Action Plan	Officials Responsible	Risk Rating
Compliance to Legislation	Failure to prevent fraud, corruption and Non-compliance with legislations	Security Screening for employees	Security of assets may be compromised	Ongoing	Security Risk Management	Low
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.	Loss of revenue collected from service fees	Annually	Diamond Trade	High

TECHNICAL INDICATORS

1. GOVERNMENT DIAMOND VALUATION

Indicator Title	% of diamonds verified for 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 Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	Manager GDV

Indicator Title	% polished diamonds subjected for verification
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 Cycle	Quarterly
Desired Performance	Actual performance to exceed than the set target
Indicator Responsibility	Manager GDV

Indicator Title	No. of trained new entrants monitored and evaluated
Definition	Monitor and evaluate the trainees progress in the industry after training.
Source Data	New entrant, monitored and evaluated after finishing training on diamond planning, marking, sorting, diamond pricing and valuation Source: Monitoring and evaluation reports
Method of Calculation/ Assessment	Count number of valuation reports
Assumptions	New entrants will be available for evaluation
Disaggregation of Beneficiaries (where applicable)	Target for women Target for youth HDPs
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	Manager GDV

Indicator Title	No. of trained new entrants
Definition	Training on diamond planning, marking, sorting, diamond pricing and valuation
Source Data	New entrants, selected from the induction programme facilitated by Licensing Division and any other requests for training. 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 HDPs
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	Manager GDV

2. DIAMOND EXPORT AND EXCHANGE CENTER

Indicator Title	% HDPs Beneficiators and dealers accessing the DEEC for the first time
Definition	% HDPs Beneficiators and diamonds dealers accessing the DEEC for services for the first time. The % will be calculated from the licenses issued in the previous quarter
Source Data	HDP- Beneficiators and diamonds dealers participating at the DEEC Source: viewing forms and the % of the licenses issued in the previous quarter
Method of Calculation/ Assessment	Count the % HDPs Beneficiators and diamonds dealers accessing the DEEC for services for the first time based on the % of licenses issues in the previous quarter
Assumptions	Local HDP Beneficiators and diamonds dealers will be active in business
Disaggregation of Beneficiaries (where applicable)	HDPs
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	Deputy Manager: DEEC

Indicator Title	No. of HDP Beneficiators accessing the DEEC for the first time
Definition	Number of HDP diamonds Beneficiators accessing and serviced by the DEEC for first time. Definition of HDP diamonds Beneficiators 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 diamonds Beneficiators participating at the DEEC Source: Viewing Forms
Method of Calculation/ Assessment	Count the number of HDP diamond Beneficiators that accessed and serviced by the DEEC for first time.
Assumptions	Beneficiators will be active in business
Disaggregation of Beneficiaries (where applicable)	HDPs
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	Deputy Manager: DEEC

Indicator Title	No. of quarterly imports, exports statistics reports and KP annual report submitted
Definition	Submit quarterly statistic and annual report
Source Data	Data Collection: Declared and registered exports and annual report Source: Number of submitted quarterly reports on imports, exports annual report
Method of Calculation/ Assessment	Number of reports submitted.
Assumptions	All role players will be cooperative
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	None accumulative target
Indicator Responsibility	Deputy Manager: DEEC

Indicator Title	No. of beneficiaries and dealers accessing the DEEC for the first time
Definition	Number of non HDP diamonds Beneficiators and dealers accessing and serviced by the DEEC for first time. Definition of non HDP Beneficiators and dealers 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 diamonds Beneficiators and dealers participating at the DEEC for first time Source: Viewing Forms
Method of Calculation/ Assessment	Count the number of diamonds Beneficiators and dealers that accessed and serviced by the DEEC for first time.
Assumptions	Beneficiators will be active in business
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Actual performance to exceed the set target
Indicator Responsibility	Deputy Manager: DEEC

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

1. Institutional Programme Performance Information

1.1 Programme: Regulatory Compliance

Purpose: To ensure compliance with the legislative requirements in the diamond and precious metals industries, to transform, improve competitiveness, sustainable development and improve job creation in these industries. The programme comprises of the Licensing, Diamonds and Beneficiation, Precious Metals and Beneficiation and Transformation divisions

1.1.1 Sub-Programme: Licensing

Purpose: To receive, process and issue diamond and precious metals licenses, permit and certificates in line with the Diamonds Act, 1986 and the Precious Metals Act, 2005.

1.1.2 Sub-Programme: Transformation

Purpose: To ensure transformation through collaborative enterprise development.

1.1.3 Sub-Programme: Precious Metals and Beneficiation

Purpose: To ensure compliance with the Precious Metals Act, 2005 which involves conducting inspections relating to precious metals licences and applications for such licences. Secondly, to promote beneficiation through coordinating the implementation of the SADPMR Beneficiation Strategy. The SADPMR regulates the following precious metals, Gold (Au), Platinum (Pt), Ruthenium (Ru), Rhodium (Rh), Palladium (Pd), Osmium (Os), and Iridium (Ir).

1.1.4 Sub-Programme: Diamonds and Beneficiation

Purpose: To ensure compliance to the Diamonds Act by conducting compliance inspections on business activities of diamond licensees, receiving, recording, monitoring and assessing of diamond transactions.

2. Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
% of fully completed licenses issued	100	100	100	100	100
% of fully completed licenses issued	100	100	100	100	100
% of beneficiation licenses/ permits issued	100	100	100	100	100
No. of HDP licenses issued	4	1	1	1	1
No. of re-activated diamond beneficiation licensees	2	0	1	1	0
No. of re-activated precious metals beneficiation licensees	2	0	1	1	0
% of export approval applications evaluated	100	100	100	100	100
Approval & Implementation of the SADPMR beneficiation strategy	Approved SADPMR Strategy and Plan for 2022 to 2026	Internal workshop on the SADPMR Strategy and Plan	Develop draft SADPMR Strategy and Plan	Submit SADPMR Strategy and Plan to CEO for approval	SADPMR Strategy and Plan for 2022 to 2026 approved by the SADPMR Board
Assessment of the extent of transformation in the diamond and precious metals industries	160	40	40	40	40

No. of enterprises development/ partnership created	6	1	2	2	1
No of enterprises/ projects monitored and maintained	7	2	2	1	2
No. of inspections conducted in licensed diamonds premises	550	125	150	150	125
No. of inspections conducted in licensed precious metals premises	450	90	130	90	140
% of enforcement actions addressed relative to non-compliance incidents identified	100	100	100	100	100
No. of precious metals joint inspections conducted with SAPS	20	5	5	5	5
No. of diamond joint inspections conducted with SAPS	15	4	4	4	3

3. Explanation of planned performance over 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 the development of a revised 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 objectives.

Collaboration and partnerships are 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. The continued efforts of the programme to enhance enterprise development with the industry by promoting Historically Disadvantaged Individual’s through its Enterprise Development program remains a crucial driver for transformation of the organisation.

5. Programme Resource Consideration

Programme	Audited outcome 2018/19	Audited outcome 2019/20	Audited outcome 2020/21	Original adjusted/ Appropriation	Approved Budget 2022/23	Budget estimate 2023/24	Budget estimate 2024/25
Regulatory compliance	24 633	26 552	24 440	26 477	27 850	28 841	29 873

The spending focus over the medium term will be on issuing licenses, carrying out compliance inspections and audits. These activities will ensure competitiveness, sustainable development and job creation in the diamond and precious metals industry while compliance with legislative requirements is fostered. The programme will focus on dealing with challenges of unemployment, inequality and creating a more inclusive society.

6. Updated Key Risks

Outcomes	Key Risks	Risk Mitigation	Consequence of lack of mitigation of Risk	Date of Action Plan	Official Responsible	Risk Rating
Improved compliance with legislation	Failure to prevent fraud, corruption and Non-compliance with legislation	Regular inspections and monitoring, performing audits and taking corrective actions.	Loss of Revenue as export levy will not be charged as diamonds will be smuggled out the country without Regulator knowing	Ongoing	RC	High
		Implement corrective actions by internal audit annually.		Annually	RC	High
		Conduct fraud risk assessment and provide training on anti-corruption strategy.	South Africa will lose integrity when it comes to global integrity and best practices.	Annually	RC	High
		Sensitise both employees and clients on the use of the National Anti-corruption Hotline.	Corrupt activities will continue and tarnish reputation of the Regulator.	Annually	RC	High
		Implement joint inspections with law enforcement agencies	Corrupt activities will continue and tarnish reputation of the Regulator.	Quarterly	RC	High
Increased transformation in the diamond and precious metals industries	Resistance to change by the industry	Present legislative proposals to the DMRE to address implementation of the	There will be no transformation in the industry, dominated by Historically privileged	Ongoing	RC	High

		transformation imperative	individuals and families			
	Lack of new entrants, specifically HDSA women and youth in the industry.	Conducting workshops to HDSA's into promote the diamond and precious metals industry. authenticity of participation	There will be no transformation in the industry, dominated by Historically privileged individuals and families.	Half Yearly	RC	High
		Interviews with BEE beneficiaries and verification of	HDPs will be disadvantaged in terms financial empowerment.	Quarterly	RC	High
More job creation, skills development and value addition to diamond and precious metal industries	Reduction in mineral beneficiation- diamond and precious metals	Hold special tenders specifically for beneficiators for diamonds and for precious metals ensure local demand is met by refineries prior to exporting	There will be a continued reduction in beneficiation for both diamonds and precious metals and increased job losses	Ongoing	RC	High
		Ensure that local demand for precious metals is met prior to approving export applications.		Ongoing	RC	High
		Prioritise access for diamond beneficiators at the DEEC.		Ongoing	RC	High
		Conduct Precious metal export approval inspections		Ongoing	RC	High

PART D: Technical Indicator Description (TID)

1. Licensing Sub-Programme

Indicator Title	% of fully completed licenses issued
Definition	Diamonds licenses received, processed and approved.
Source Data	Applications received
Method of Calculation/ Assessment	$\frac{\text{Number of diamond licences issued within 60 days}}{\text{Number of diamond licence applications received}} \times \frac{100}{1}$
Assumptions	Diamond licenses received, processed and approved.
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	Manager: Licensing

Indicator Title	% of fully completed licenses issued
Definition	Precious Metals licenses received, processed and approved.
Source Data	Applications received
Method of Calculation/ Assessment	$\frac{\text{Number of precious metals licences issued within 60 days}}{\text{Number of precious metals licence applications received}} \times \frac{100}{1}$
Assumptions	All applications received are complete
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	Manager: Licensing

Indicator Title	Percentage of beneficiation licenses/ permits issued
Definition	Issued beneficiation licenses/permits.
Source Data	List of beneficiation licenses issued
Method of Calculation/ Assessment	$\frac{\text{Number of beneficiation licenses issued}}{\text{Number of beneficiaiton applications received}} \times \frac{100}{1}$
Assumptions	All beneficiation applications received are complete
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	Manager: Licensing

Indicator Title	No. of HDP licenses issued
Definition	Issue licenses to HDP's including women, youth and persons with disabilities
Source Data	List of licenses issued
Method of Calculation/ Assessment	Count the number of licenses issued
Assumptions	All applications from HDP's, women, youth and persons with disabilities are received complete.
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	Manager: Licensing

2. TRANSFORMATION

Indicator Title	Assessment of the extent of transformation in the diamond and precious metals industries
Definition	Extent of transformation assessed through information received from licensees contacted.
Source Data	Signed verification data form
	Count the number of assessments conducted
Assumptions	Clients will submit all information required since there is no binding legislative provision requiring assessment of transformation.
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: Regulatory Compliance

Indicator Title	No. of new enterprise developed/ partnerships created
Definition	Development of small, medium and micro enterprises.
Source Data	Minutes of meetings or Memorandum of Agreements (MoA's) (where applicable) or progress reports
Method of Calculation/ Assessment	Number of enterprises developed/ partnerships created
Assumptions	Licensees will submit progress reports or signed MoA's
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: Regulatory Compliance

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Indicator Title	No of Enterprises/ partnerships monitored and maintained
Definition	Monitoring and maintaining the implementation of enterprises / partnerships
Source Data	Received and assessed progress implementation reports or minutes of meetings
Method of Calculation/ Assessment	Count the number of received and assessed progress implementation reports or minutes of meetings
Assumptions	The licensee will submit progress implementation reports or attend meetings
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Reporting Cycle	Bi-annually
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	General Manager: Regulatory Compliance

3. PRECIOUS METALS AND BENEFICIATION SUB-PROGRAMME

Indicator Title	Approval & Implementation of the SADPMR beneficiation strategy
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Indicator Title	No. of re-activated beneficiation licensees
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Definition	Revised SADPMR Strategy and Implementation Plan for next 5 years (2022 to 2026)
Source Data	Inputs (proposed initiatives and interventions) at internal workshop on the revision of the SADPMR Beneficiation Strategy and Plan for 2022-2026; inputs by CEO and inputs by the Board of the SADPMR on the same.
Method of Calculation/ Assessment	SADPMR Beneficiation Strategy and Plan for 2022-2026 approved by the CEO and the SADPMR Board Chairman
Assumptions	There will be inputs (proposed initiatives and interventions) on the SADPMR Beneficiation Strategy and Plan for 2022-2026 at a dedicated MANCO workshop, followed by inputs and approval from the CEO and subsequently the SADPMR Board.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	An SADPMR Beneficiation Strategy and Plan for 2022-2026 with impactful initiatives is desirable.
Indicator Responsibility	Manager: Precious Metals & Beneficiation

Definition	Number of reactivated Jeweller's Permit holders
Source Data	Inspection reports identifying challenges of the inactive Jeweller's Permit holders, and evidence of information/advice/assistance provided by the Precious Metals & Beneficiation Division
Method of Calculation/ Assessment	Count the number of inactive jeweller's permit holders reactivated as evidenced by purchase/sale transaction on invoice or register of transactions.
Assumptions	Inactive jeweller's permit holders will be receptive to assistance, and assistance by the Precious Metals & Beneficiation Division is feasible.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Higher number of inactive jeweller's permit holders reactivated is desirable
Indicator Responsibility	Manager: Precious Metals & Beneficiation

Indicator Title	No. of inspections conducted in licensed precious metals premises
Definition	Number of compliance inspections conducted at premises of precious metal licensees/permit holders and applicants.
Source Data	Inspection Reports
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 Cycle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	Manager: Precious Metals

Indicator Title	No. of precious metals joint inspections conducted with law enforcement stakeholders
Definition	Joint inspections with relevant law enforcement stakeholders
Source Data	Disruptive/Joint Inspection reports
Method of Calculation/ Assessment	Count the number of Disruptive/Joint Inspection reports signed by respective managers of SADPMR and the law enforcement stakeholders
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 Cycle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	Manager: Precious Metals and Beneficiation

Indicator Title	% of export approval applications evaluated
Definition	Evaluate the provision made available for the local precious metals industry.
Source Data	Export Approval Application
Method of Calculation/ Assessment	Count the number of evaluation reports meeting local demand and express as percentage of total export approvals evaluated
Assumptions	Applicants will meet the local demand.
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	Manager: Precious Metals and Beneficiation

4. DIAMONDS AND BENEFICIATION SUB-PROGRAMME

Indicator Title	No. of re-activated diamond beneficiation licensees
Definition	Number of reactivated diamond beneficiation licensees
Source Data	Inspection reports identifying challenges of the inactive diamond beneficiation licensees, and evidence of information/advice/assistance provided by the Diamonds & Beneficiation Division
Method of Calculation/ Assessment	Count the number of diamond beneficiation licensees reactivated as evidenced by purchase/sale transaction on invoice or register of transactions.
Assumptions	diamond beneficiation licensees will be receptive to assistance, and assistance by the Diamonds & Beneficiation Division is feasible.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Quarterly
Desired Performance	Higher number of inactive diamond beneficiation license holders reactivated is desirable
Indicator Responsibility	Manager: Diamonds and Beneficiation Division

Indicator Title	No. of inspections conducted in licensed diamonds premises
Definition	Number of compliance inspections conducted at premises of diamond licensees and applicants for such licences/permits
Source Data	Inspection Reports
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 Cycle	Quarterly
Desired Performance	Actual performance to be higher than the set target
Indicator Responsibility	Manager: Diamonds and Beneficiation

Indicator Title	No. of diamond joint inspections conducted with law enforcement stakeholders
Definition	Joint Diamond inspections with relevant law enforcement stakeholders
Source Data	Joint Inspection reports Observations during joint Inspections
Method of Calculation/ Assessment	Count the number of Disruptive/Joint Inspection reports signed by respective managers of SADPMR and other law enforcement stakeholder, and express as percentage of total anomalies requiring further investigation identified
Assumptions	Clients' businesses will be open and operational during disruptive/ joint inspections
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	Manager: Diamond and Beneficiation

Programme 3 (Diamonds and Precious Metals Inspectorate and Beneficiation)

Indicator Title	% of enforcement actions addressed relative to non-compliance incidents identified
Definition	Enforcement actions undertaken on non-compliant licensees
Source Data	Enforcement of compliance in accordance with the applicable procedure.
Method of Calculation/ Assessment	$\frac{\text{Number of non – compliance notices issued}}{\text{Number of non – compliant licences identified}} \times \frac{100}{1}$
Assumptions	<ul style="list-style-type: none"> • There will be non-compliance incidents* • Clients will not rectify Non-Compliance within the specified timeframe • Clients will not attend engagement meetings <p>*in cases where non-compliance notices are not issued in accordance with the enforcement procedure, this KPI will not be measured.</p>
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: Regulatory Compliance
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