



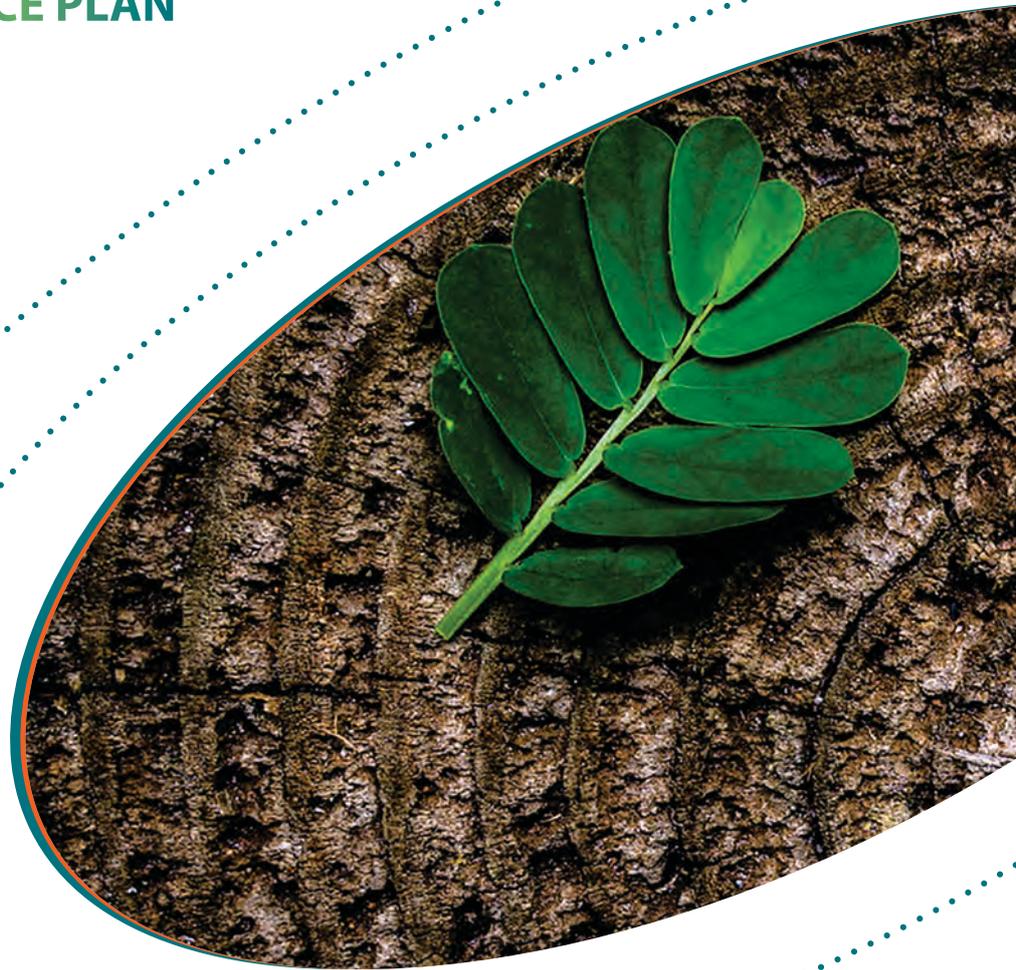
Companies and Intellectual
Property Commission

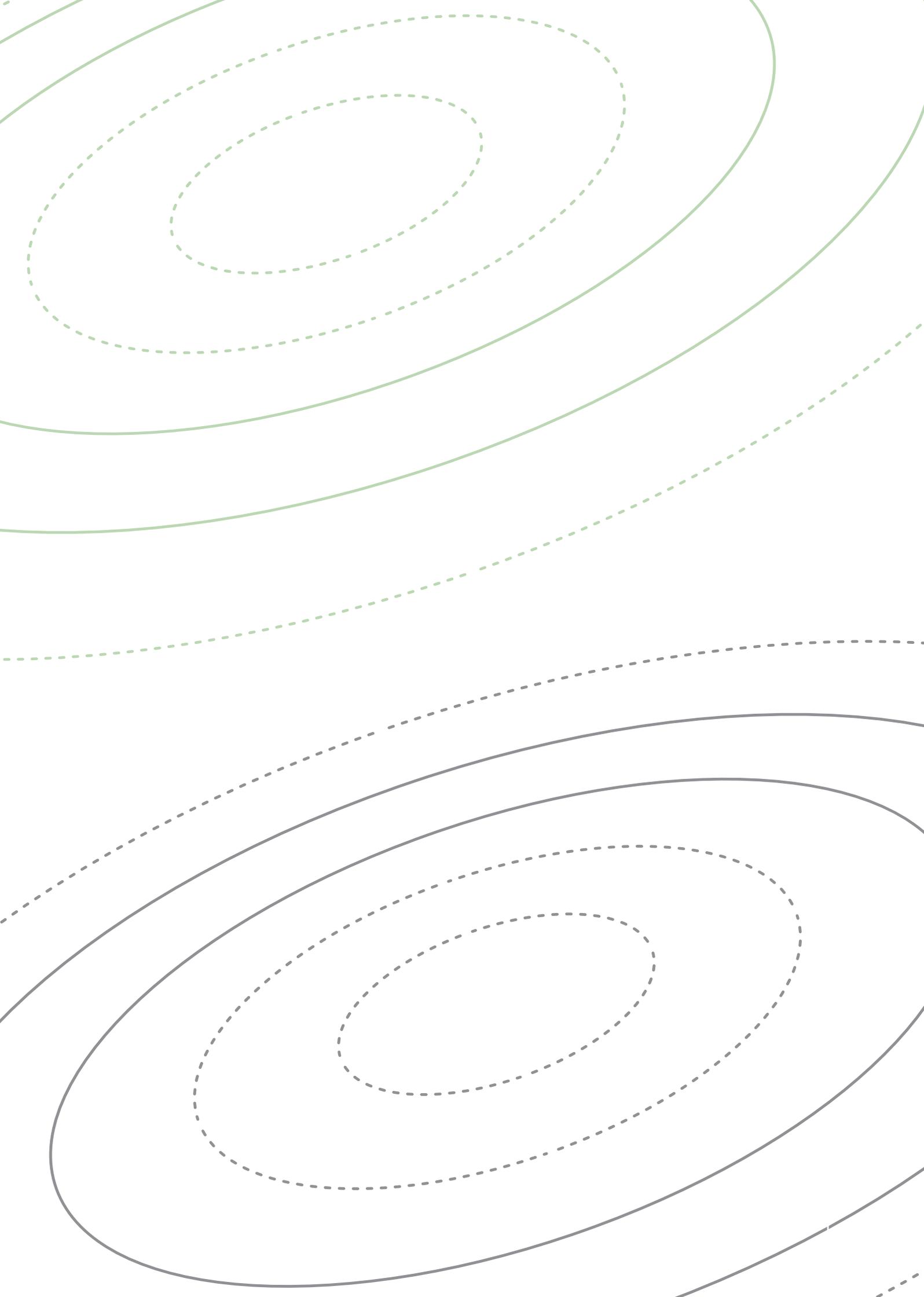
a member of **the dtic** group

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION

ANNUAL PERFORMANCE PLAN

2020/21 – 2022/23





PUBLIC ENTITY'S GENERAL INFORMATION

Registered name of the public entity

Companies and Intellectual Property Commission

Registration Numbers

Not applicable

Registered Office address

the dti campus (Block F - Entfutukweni)

77 Meintjies Street

Sunnyside

Pretoria

Postal Address

P.O. Box 429

Pretoria

0001

Contact telephone numbers

+27 86 100 2472

Enquiries

<http://enquiries.cipc.co.za>

Website address

www.cipc.co.za

External Auditors Information

Auditor-General South Africa (AGSA)

PO Box 446

Pretoria

0001

Bankers Information

ABSA

PO Box 4210

Pretoria

0001

Company Secretary

The CIPC does not have a Company Secretary

TABLE OF CONTENTS

Abbreviations and Acronyms.....	3
Executive Authority Statement.....	4
Accounting Officer Statement.....	5
Organisational Structure.....	6
Official Sign-Off.....	7
PART A : OUR MANDATE.....	8
1. Legislative and Policy Mandates.....	9
1.1 Legislative Mandates.....	9
1.2 Policy Mandates and Strategies.....	10
1.3 International Treaties and Agreements.....	11
2. Institutional Policies and Strategies Over the Five Year Planning Period.....	12
2.1 Distribution Channels-Collaboration and Strategic Partnerships.....	12
2.2 Automation and Digitization.....	13
2.3 Integrated Registration System.....	13
2.4 Third Party Model.....	13
2.5 Standardised Incorporation Documents.....	13
2.6 Registration and Administrative Process.....	13
2.7 Financial Sustainability.....	13
2.8 Capital Requirement for Start-Ups.....	14
3. Relevant Court Rulings.....	14
PART B: OUR STRATEGIC FOCUS.....	15
4. Situational Analysis.....	16
4.1 External Environment Analysis.....	16
4.2 Internal Environment Analysis.....	18
5. Alignment to the Medium Term Strategic Framework 2019-2024.....	21
6. Ministers' Priorities.....	25
PART C: MEASURING OUR PERFORMANCE.....	26
7. Institutional Programme Performance Information.....	29
8. Key Risks.....	35
PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDs).....	48
9. Technical Indicator Descriptions (TIDs).....	49

ABBREVIATIONS AND ACRONYMS

AfCFTA	African Continental Free Trade Area
AFS	Annual Financial Statements
AR	Annual Returns
AFS	Annual Financial Statements
BEE	Black Economic Empowerment
BR	Business Rescue
CA	Chartered Accountants
CC	Close Corporation
CIPC	Companies and Intellectual Property Commission
Co	Company
DB	Doing Business
DST	Department of Science and Technology
FSCA	Financial Sector Conduct Authority
GCI	Global Competitiveness Index
ICT	Information, Communication and Technology
IFRS	International Financial Reporting Standards
IP	Intellectual Property
IPAP	Industrial Policy Action Plan
IT	Information Technology
JSE	Johannesburg Stock Exchange
MOI	Memorandum of Incorporation
MP	Member of Parliament
NIS	National Innovation System
RIs	Reportable Irregularities
SCM	Supply Chain Management
SOE	State Owned Enterprises
SST	Self-service terminals
the dti	The Department of Trade and Industry
the dtic	The Department of Trade, Industry and Competition
WIPO	World Intellectual Property Organisation
XBRL	eXtensible Business Reporting Language

EXECUTIVE AUTHORITY STATEMENT

The Public Finance Management Act requires that every public entity prepares a Strategic Plan setting out the overall strategy for the 5 year period covering the state's Medium-term Strategic Framework (MTSF). Every year, an Annual Performance Plan (APP) is prepared, which converts the overall strategy to key annual targets. These documents are then provided for approval to the Executive Authority and budgets are aligned to these plans.

The **Companies and Intellectual Property Commission (CIPC)** has prepared its **Annual Performance Plan 2020 – 2023**, which I now submit to Parliament, as required by the legislation.

This is the first **Annual Performance Plan** prepared in the 6th Administration by the **CIPC**. I have requested that all entity Strategic Plans and Annual Performance Plans be aligned to the MTSF, which incorporates the work to develop and implement National Sector Masterplans, as well as the trade reforms, investment and transformation work of the Department.

Once the revised MTSF has been signed off, we will review the Strategic Plan and Annual Performance Plan of the entity and align it accordingly. The Strategic Plan and Annual Performance Plan may further need to be aligned to Government's response to the COVID-19 pandemic, both during the period of the national disaster declared by President Ramaphosa, and thereafter as we adapt to the new economic reality. Should adjustments be made, a revised Plan will be submitted to Parliament.



Ebrahim Patel
Minister of Trade, Industry And Competition

Date: 2020/04/20

ACCOUNTING OFFICER STATEMENT

I present the 2020/21 – 2022/23 CIPC Annual Performance Plan that outlines how the CIPC as a regulator will continue to give effect to its mandate as derived from the shareholders compact with **the dtic** and the Companies Act, 2008 (as amended), by which it was established.

The CIPC's focus during this period is on giving effect to the fourth industrial revolution which not only has embedded in its nature the automation of repetitive tasks, but to enhance the work of the CIPC by giving more meaning to tasks. A greater regulatory role has been unfolding in recent years and it will continue to do so as processing work will consume less time and in-depth application of the corporate and IP legislation will form the basis of the work done by CIPC.

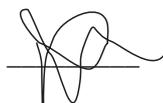
An opportunity exists for greater scrutiny of the compliance aspects of company registration and amendment services as well as additional services in the IP domains. Already the automated submission of financial statements through the introduction of extensible Business Reporting Language (XBRL), put CIPC in a position to exercise a greater role in surveillance of market conduct and the early detection of irregularities in terms of compliance with the Companies Act, 2008 (Act No. 71 of 2008). This role will further expand as additional phases of this functionality will be introduced.

Similarly, the organisation will focus on enhanced virtual education and awareness interventions as its observations of the customer interaction channels indicate a limited understanding of the legislative requirements of running and maintaining a business.

In the IP space, the focus is on enhanced systems to simplify interaction with the CIPC and to continue with the protection of IP rights. Substantive examination of patents remains a key priority and a group of people have been trained to perform this function once the legislative framework is in place.

Underpinning all these intervention is the objective of making it easier to do business in South Africa. Through collaboration with other organisations, continuing to invest in its technology and its people, the CIPC will live its value of passion for service by working towards South Africa becoming one of the nations considered to be the most accessible in starting a business without compromising the regulatory aspects that accompany the rights to owning a business.

We are confident that we will implement this plan as a committed team of people are aligned behind the organisational strategy.



Adv. Rory Voller
CIPC Commissioner

Date: 2020/02/26

ORGANISATIONAL STRUCTURE



Adv. Rory Voller
CIPC Commissioner



Vacant
Deputy Commissioner



Mr. Lungile Dukwana
Chief Strategy Executive



Mr. Mpho Mathose
Chief Audit Executive



Ms. Bathabile Kapumha
Divisional Manager: Compliance,
Risk and Governance



Adv. Rory Voller
Acting Executive Manager:
Business Regulation
and Reputation



Ms. Nomonde Maimela
Executive Manager:
Innovations
and Creativity



Mr. Andre Kritzinger
Executive Manager:
Business Intelligence
and Systems



Ms. Hamida Fakira
Executive Manager:
Corporate Services



Mr. Muhammed Jasat
Chief Financial
Officer

OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Companies and Intellectual Property Commission (CIPC) under the guidance of the Commissioner, Adv. Rory Voller.
- Takes into account all the relevant policies, legislation and other mandates for which the CIPC is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the CIPC will endeavour to achieve over the period 2020/21 – 2022/23

Programme 1: Service Delivery Access

Signature: 
Ms Hamida Fakira, Executive Manager:
Corporate Services

Date: 2020/02/26

Signature: 
Mr Andre Kritzing, Executive Manager:
Business Information Systems

Date: 2020/02/26

Programme 2: Innovation and Creativity

Signature: 
Ms Nomonde Maimela, Executive Manager:
Innovation and Creativity

Date: 2020/02/26

Programme 3: Business Regulation and Reputation

Signature: 
Adv. Rory Voller, Acting Executive Manager:
Business Regulation and Reputation

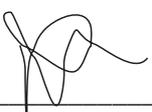
Date: 2020/02/26

Signature: 
Mr Muhammed Jasat, Chief Financial Officer

Date: 2020/02/26

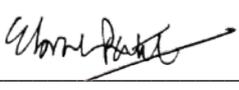
Signature: 
Mr Lungile Dukwana, Chief Strategy Executive

Date: 2020/02/26

Signature: 
Adv. Rory Voller, Commissioner: CIPC
(Accounting Officer)

Date: 2020/02/26

Approved by:

Signature: 
Mr Ebrahim Patel, Minister of Trade, Industry
and Competition

Date: 2020/04/20

Part A: OUR MANDATE



1. Legislative and policy mandates

1.1 Legislative mandates

The legislative mandate and objectives of the CIPC is provided in Section 186 and 187 of the Companies Act, 2008 (No. 71 of 2008). The table below provides a summary of all key legislation that the CIPC is mandated to implement.

Legislation	Mandate
Companies Act, No. 71 of 2008	Register companies, business rescue practitioners and corporate names; maintain data; regulate governance of and disclosure by companies; accredit dispute resolution agents; educate and inform about all laws; give non-binding opinions and circulars, policy and legislative advice. Enforce the Companies Act, 2008 to promote voluntary resolution of disputes arising this Act between companies and directors or shareholders as contemplated in Part C of Chapter 7, monitor the proper compliance with the Act, receiving or initiating complaints concerning alleged contravention of this Act, evaluating such complaints, and initiating investigations into complaints.
Close Corporations Act, No. 69 of 1984	Maintain data, regulate governance of and disclosure by close corporations
Co-operatives Act, No. 14 of 2005	Register co-operatives, maintain data, regulate governance of and disclosure by co-operatives
Co-operatives Amendment Act, No. 6 of 2013	The Co-operatives Amendment Act 6 of 2013 aims; to amend the Co-operatives Act, 2005, so as: to provide for the substitution and addition of certain definitions; to provide for associate membership of co-operatives; to provide for categories of primary co-operatives; to provide for the national apex co-operative; to provide for the annual submission of information to the registrar; to amend the accounting practices and requirements for cooperatives by providing for audit and independent review of co-operatives; to provide for the payment of fees by co-operatives for the amalgamation, division, conversion or transfer of co-operatives; to provide for the voluntary winding-up of co-operatives by special resolution; to provide for the registrar to apply for a declaratory order in respect of the liquidation process.
Share Block Control Act, No. 59 of 1980	Regulate conduct and disclosure by share block schemes
Consumer Protection Act, No. 68 of 2008	Register business names
Trade Marks Act, No. 194 of 1993	Register trade marks, maintain data, resolve disputes
Merchandise Marks Act, No. 17 of 1941 (Unauthorized Use of State Emblems Act, No. 37 of 1961)	Prevent and enforce the unauthorized use of state emblems
Patents Act, No. 57 of 1978	Register patents, maintain data, publish patent journal, administer Court of Commissioner of Patents
Designs Act, No. 195 of 1993	Register designs, maintain data, resolve disputes
Copyright Act, No. 98 of 1978	Provide non-binding advice to the public
Registration of Cinematography Films Act, No. 62 of 1977	Register films, maintain data

Legislation	Mandate
Performers Protection Act, No. 11 of 1967	Accredit Collecting Societies; regulate their governance, conduct and disclosure
Counterfeit Goods Act, No. 37 of 1997	Conduct and co-ordinate search and seizure operations, oversee depots

1.2 Policy mandates and strategies

Apart from the 15 pieces of legislation that the CIPC is responsible for administering, the CIPC also derives its policy mandate from the policies of its responsible department, **the dtic**. The key policies and strategies of the dti relevant to the CIPC are as follows:

Table 1: The key policies and strategies of the dtic

the dtic policies relevant to CIPC	Summary of Policy
the dtic Medium Term Strategic Plan 2019 - 2020	To promote structural transformation, towards a dynamic industrial and globally competitive economy and to broaden participation in the economy to strengthen economic development.
Industrial Policy Action Plan (IPAP) 2018/19 – 2019/20	To facilitate diversification by promoting increase value-addition per capita and intensification of South Africa's industrialization process.
Strategy on the Promotion of Entrepreneurship and Small Enterprise	To increase supply for financial and non-financial support services and creating demand for small enterprise products and services through the reduction of small enterprise regulatory constraints.
Corporate Law Reform Policy	To promote growth, employment, innovation, stability, good governance, confidence in the South African business environment, as well as increase international competitiveness
Co-operatives Development Policy for South Africa	Create an enabling environment for co-operative enterprises which reduces the disparities between urban and rural businesses, and is conducive to entrepreneurship and to promote the development of economically sustainable co-operatives
Integrated Strategy for the Development and Promotion of Co-operatives	To grow all forms and types of co-operatives and the co-operatives movement, as well as increase its contribution to the country's GDP growth rate, economic transformation and social impact.

1.3 International Treaties and Agreements

South Africa is a member of various international treaties and agreements in a number of important areas of the economy; such as trade, development, environment and many more. The CIPC is responsible for ensuring compliance with South Africa's obligations in terms of these Treaties or Agreements for several of these, which are summarized in the table below:

Table 2: International Treaties and Agreements

Treaties and Agreements	Summary of Policy
Paris Convention for the Protection of Industrial Property	The Paris Convention, adopted in 1883, applies to industrial property in the widest sense, including: patents, trade marks, industrial designs, utility models, service marks, trade names, geographical indications and the repression of unfair competition. This international agreement was the first major step taken to help creators ensure that their intellectual works were protected in other countries. South Africa's accession to the Paris Convention was in October 1947.
Patent Co-operation Treaty	The Patent Co-operation treaty makes it possible to seek patent protection for an invention simultaneously in each of a large number of countries by filing an "international" patent application. Such an application may be filed by anyone who is a national or resident of a PCT Contracting State. It may generally be filed with the national patent office of the Contracting State of which the applicant is a national or resident or, at the applicant's option, with the International Bureau of WIPO in Geneva. South Africa's accession to the treaty was in December 1998.
Berne Convention for the Protection of Literary and Artistic Works	Adopted in 1886, deals with the protection of works and the rights of their authors. It provides creators such as authors, musicians, poets, painters etc. with the means to control how their works are used, by whom, and on what terms. It is based on three basic principles and contains a series of provisions determining the minimum protection to be granted, as well as special provisions available to developing countries that want to make use of them. South Africa's accession to the treaty was in October 1928.
Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure	Adopted in 1977, the Budapest Treaty concerns a specific topic in the international patent process: microorganisms. All states party to the Treaty are obliged to recognize microorganisms deposited as a part of the patent procedure, irrespective of where the depository authority is located. In practice, this means that the requirement to submit microorganisms to each and every national authority in which patent protection is sought no longer exists.
TRIPs Agreement	The TRIPs Agreement is an international legal agreement between all the member nations of the World Trade Organization (WTO). It sets down minimum standards for the regulation by national governments of many forms of intellectual property (IP) as applied to nationals of other WTO member nations. It stems from the desire to reduce distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of intellectual property rights, and to ensure that measures and procedures to enforce intellectual property rights do not themselves become barriers to legitimate trade. South Africa deposited its instrument of acceptance for the 2005 protocol amending the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) on 23 February 2016.

2. Institutional Policies and Strategies over the five year planning period

2.1 Distribution channels -Collaboration and strategic partnerships

The CIPC has a multi-channel strategy for distribution of its services, realised through collaboration and partnerships.

Multiple channels including e-Services (Website), CIPC Mobile App, Biz Portal, Self-Service Terminals, Self-Service Centres and Banks. This provides for ease in transacting and accessing the CIPC services throughout the country. From the start, the CIPC aimed to reduce regulatory burdens and indirect costs for customers, while simultaneously adding value to the customers' experience. This premise encouraged the CIPC to explore alternative access channels and partners. The partnership model has had a significantly positive impact on the turnaround times on registrations and has taken CIPC forward in pursuing its goal of creating a 'one stop' shop, with minimum touch points.

The company registrations are filed and processed through the bank channel, as well as offering a wide range of CIPC products and services including company registration, name reservation, payment integration and B-BBEE certificate application. Banks are specifically selected as they have an extensive branch network and online functionality which is internationally accessible, in addition to this, they provide a reliable identification verification.

In an attempt to differentiate its services for different target markets, the CIPC launched an office in partnership with the JSE. This office provides specific services for listed companies and its subsidiaries, i.e. director and company amendments, advisory services and real-time company registration services (through SST). In its efforts to continue providing value-added services, the CIPC also partnered with SARS to offer a tax number when an enterprise is registered.

The partnership between CIPC and the National Treasury provides a real-time link which enables the Treasury to check the status of enterprises and directors prior to them registering the business on the Central Supplier Database. This has resulted in entrepreneurs' deriving cost and time saving benefits as they now only have to register once on the Central Supplier Database, and not register with individual entities and departments.

Below are examples of CIPC partnerships:

FNB, Nedbank, Standard Bank and ABSA

Partnership provides accessibility and a reliable means of identification verification

JSE

Partnership provides specific services for listed companies and its subsidiaries

SARS

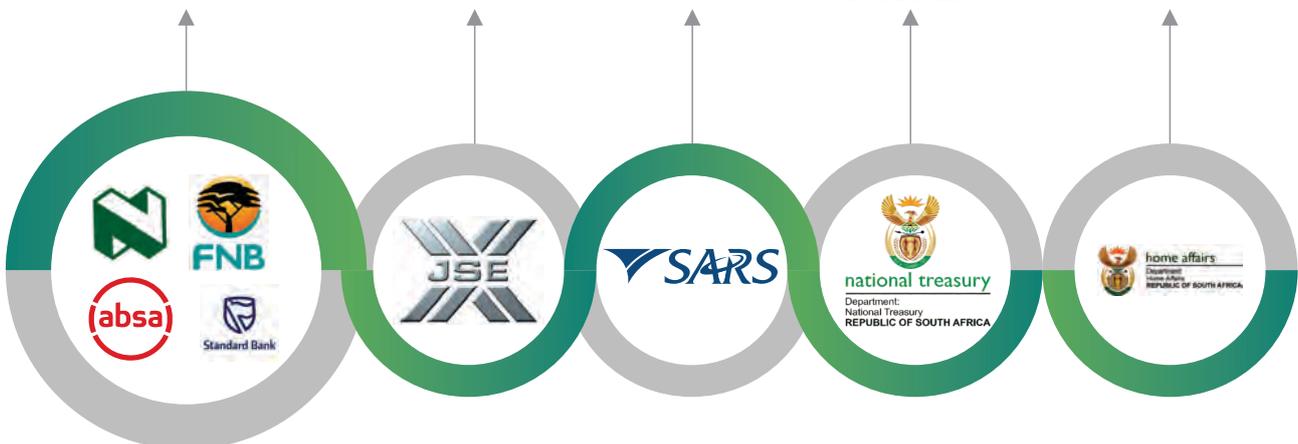
Partnership provides business with a tax number once they are registered

National Treasury

Partnership provides a real-time link which enables the Treasury to check the status of enterprises and directors prior to them registering their business.

Department of Home Affairs

Live finger print verification



2.2 Automation And Digitization

The CIPC has made drastic improvement in the level of automation and modernization of the organisation. Automation as led to the CIPC's registration systems being faster, more cost effective, enhanced data integrity, information security, registration system transparency and verification of business compliance. The CIPC has ventured into automation of their processes over the past five years, and have made significant strides in achieving automation targets with 24% of processes automated.

An ICT-led registration system is crucial for both the virtual and physical One-Stop-Shops. Physical shops can deliver services faster and more efficiently by using ICT for the back-office workflows. ICT can also play an essential role in developing integrated systems.

2.3 Third Party Model

Over the 2016/2017 financial year, CIPC introduced a new distribution model known as the Third-Party Model. This delivery model permits identified CIPC transactions using the Department of Home Affairs biometric authentication. While this distribution channel is new, it has made positive progress in becoming a key channel of access for the CIPC. In the short year since implementation, the third-party model has managed to register 530 third party partners, with approximately 108 partners currently active and have achieved approximately 4881 company registrations. The Third Party Model has been discontinued since 2019/20.

2.4 Standardised incorporation documents

The Companies Act, No. 71 of 2008, as amended, has since replaced the Memorandum and Articles of Association with a single MOI. Since the inception of the CIPC, the number of company registrations has been climbing annually. A contributing factor to the steady increase may be attributed to the introduction of the single, more user-friendly MOI. The new MOI has simplified the registration process for the CIPC's customers and thus made company registration a more accessible option.

Standard incorporation documents enable a number of key benefits, including:

- Enabling entrepreneurs to ensure legality without having to resort to notaries and lawyers;
- The cost of applying through a lawyer is eliminated;
- Decreases the cost burden for the commission as the processing of applications is more efficient;
- Easing the workload at the commissions or registries; and
- Assisting in preventing errors and expediting the registration time.

The move towards a single standardized incorporation document is one which the mature economies subscribe to, and is a principle which the CIPC has implemented.

2.5 Registration and administrative process

Company registration is an administrative matter, and not a judicial one. Involving courts in the registration process may take an entrepreneur, on average, 70% more time than if it were an administrative process. The CIPC is in alignment with this international practice as there is no requirement to register a company using the court system or a notary in South Africa. South Africa has always implemented the company registration process as an administrative process and not a legal process. It is, and always has been optional to involve a notary in the process and not a mandatory requirement by the Commission.

2.6 Financial Sustainability

The CIPC is funded purely by fees collected from registration services and annual returns. The CIPC have been able to maintain financial self-sustainability, however the future financial sustainability needs to be assessed given the role of the CIPC within government. Research has shown that a Government entity which is self-sustainable is one of the major keys in creating economic development and social value for the citizens of the country.

2.7 Capital Requirement for Start-Ups

Start-up capital is often very limited for SMMEs, especially in developing nations such as South Africa, and the minimum capital requirement places constraints on the growth potential of businesses, and often time worsens the resource constraint. Essentially, the capital constraints undercut entrepreneurship in South Africa and globally.

The CIPC is aligned to the best practice of elimination of minimum capital requirements. This has the potential to foster formal economic participation by small and medium enterprises.

3. Relevant Court Rulings

Not applicable

Part B: OUR STRATEGIC FOCUS



4. Situational Analysis

4.1 External Environment Analysis

Economic outlook

According to the October 2019 World Economic Outlook (WOE) update, the world economic growth was expected to be 3.0 percent and 3.4 percent in 2019 and 2020 respectively, its lowest since 2008-09, and 0.3 percent down from the April 2019 WOE. Growth for advanced economies was projected to be 1.7 percent in 2019 and 2020, and for emerging markets and developing economies, it was projected to be 3.9 percent in 2019, and 4.6 percent in 2020.

In the Sub-Saharan Africa region, growth is projected at 3.2 percent in 2019 and 3.6 percent in 2020. In addition to being impacted by global issues, the region grapples with weakening external demand, supply disruptions, elevated policy uncertainty, and rising public debt, and the resulting high interest on debt. Projections are worse for South Africa, with its growth projected at 0.7 percent in 2019 and 1.1 percent in 2020 and growth is expected to be even more subdued because of policy uncertainty, the impact of strike activity and the consequences of power load shedding, weak agricultural production and public debt increases. Public entities, and regulators in particular, such as the CIPC, are therefore required to be most effective in their enabling role in the economy. Furthermore, the South African official unemployment rate was 29 percent in the second quarter of 2019. South Africa has a high incidence of poverty as well as the highest GINI coefficient in the world highlighting the stark economic inequalities in the country.

Global Ranking

Although improved from 67th in 2018 to the 60th place in the 2019 Global Competitiveness Index (GCI) 4.0, South Africa remained at 82nd in both years in the 2019 Doing Business (DB) report. South Africa's ranking had improved from 69th in 2018 to the 55th place in 2019 in the institutions pillar, dropped from 56th to 60th in terms of business dynamism, and remained 46th in terms of innovation capability. Except for reducing regulation burden, which has drastically gone from bad 84th to worse 101st, the indicators showed that South Africa improved its competitiveness.

Global Competitiveness Index 4.0 South Africa Ranking		
Pillar/Component	2018 Ranking --/140 (Progress score)	2019 Ranking --/141 (Progress score)
Overall	67th (60.8)	60th (62.4)
Institution	69th (54)	55th (57.1)
• Public sector performance	(Median score 45) Country ranking not available	39th (59.3)
• Burden of government regulation	84th (37.4)	101st (36.6)
• Efficiency of legal frame work in settling disputes	40th (42.3)	31st (59.3)
• E-Participation	38th (84.8)	38th (84.8)
• Future orientation of government	102nd, (36.5)	51st (59.0)
• Government ensuring policy stability	-	108th (38.6)
• Government's responsiveness to change	-	108th (38.6)

Global Competitiveness Index 4.0 South Africa Ranking		
Pillar/Component	2018 Ranking --/140 (Progress score)	2019 Ranking --/141 (Progress score)
• Legal framework's adaptability to digital business models	-	73rd (42.4)
• Property rights	-	67th (54.2)
• Property rights	97th (49.2)	89th (51.5)
• Intellectual property protection	60th (56.0)	46th (61.1)
• Corporate governance	-	26th (75.3)
• Strength of reporting and auditing standard	55th (64.6)	49th (67.5)
• Shareholder governance	56th (60.0)	37th (67.0)
Business dynamism	56th (61)	60th (69.1)
• Administrative requirements	-	82nd (67.3)
• Cost of starting a business	2nd (99.9)	4th (99.9)
• Time to start a business	128th (55.3)	129th (60.3)
• Insolvency regulatory framework	24th (78.1)	38th (71.9)
• Insolvency recovery rate	77th (37.0)	78th (37.1)
Innovation capability	46th (43.3)	46th (45.2)
• Interaction and diversity	-	44th (46.0)
• International co-inventions	58th (9.9)	65th (8.4)
• Multi-stakeholder collaboration	-	39th (52.6)
Research and development	-	44th (38.4)
• Patent applications	50th (26.6)	51st (25.6)
• Commercialisation	-	64th (57.1)
• Trade marks applications	58th (67.6)	73rd (67.0)

Doing Business Ranking		
Area/Indicator	2018 Ranking --/190 (Score 0-100)	2019 Ranking --/190 (Score 0-100)
82nd (64.89)	82nd (64.89)	82nd (66.03)
Starting a business	136th (79.97)	134th (81.2)
Protecting minority investors	24th (70.0)	23rd (73.23)
Resolving insolvency	55th (57.9)	66th (54.49)

4.2 Internal Environment Analysis

4.2.1 Continuous improvements

The focus of the organisation is now more on its regulatory role. The investment made by the organisation over the past seven years in process improvements and emphasis on simplifying registration and related services in the companies and IP space, has started yielding results, therefore strengthen the regulatory role.

CIPC consistently registers companies within an average turnaround time of one day and co-operatives in two days. Related company maintenance services are equally efficient with most services being available through multiple channels.

The introduction of an electronic financial reporting language, eXtensible Business Reporting Language (XBRL), is an important achievement for the organisation and the country. The main purpose of this tool (which enables the electronic submission of financial statements), is to allow for greater transparency into corporate conduct as outlined in the Companies Act, 71 of 2008 (as amended). The market response to this technology has been positive with over 7500 eligible companies having submitted its financial statements since the launch of XBRL. This also resulted in CIPC introducing measures to encourage businesses to submit annual financial statements (AFS) and Financial Accountability Supplements (FAS) before filing annual returns. The latter is a measure to monitor economic activity and have a relevant updated registry.

4.2.2 Compliance and enforcement

In the enforcement environment CIPC has placed significant emphasis on the conduct of state-owned enterprises as well as listed entities to ensure greater compliance through governance. The necessary action is taken as and when required.

Complaints relating to Companies may be filed in writing with the Companies and Intellectual Property Commission (CIPC), upon receiving a complaint, the CIPC may resolve: (i) not to investigate, (ii) to refer it to the Companies Tribunal or Accredited Agency or other appropriate regulatory authority or (iii) to direct an investigator or inspector to investigate.

After receiving an investigation report the Commission may:

- (i) excuse a respondent,
- (ii) refer the complaint to the Companies Tribunal;
- (iii) issue a notice of non-referral to complainant, advising the complainant of any rights to seek a remedy in court;
- (iv) propose that the complainant and any affected person meet with the Commission or with the Tribunal, to resolve matter by consent order;
- (v) commence proceedings in a court in the name of the complainant, if the complainant— has a right to apply to a court; and - has consented to the Commission to do so;
- (vi) refer the matter to the NPA, or other regulatory authority, if Commission alleges that a person has committed an offence in terms of this Act or any other legislation; or (vii) issue a compliance notice in terms of section 171.

4.2.3 International participation

The organisation plays an active role in a number of international forums related to corporate registers and in the Intellectual Property Space. To this end, CIPC serves on the executive of the Global Corporate Registers Forum and has been elected to serve on the International Trade Marks Association (INTA). It provides an opportunity for South Africa to make relevant input into the protection of IP rights, particularly of trade mark holders at an international stage.

In line with international best practice, and as a member of WIPO, CIPC is actively pursuing automating the IP regime using systems that are made available to WIPO members.

CIPC co-hosted the BRICS Examiner training in February 2019 where trainees for substantive examination of patents received further training. This was well received by all concerned. A focal point meeting was held in March 2019 in preparation for the BRICS Heads of IP meeting that was held in April 2019.

4.2.4 National collaboration

The Inter-Governmental Enforcement Committee's (IGEC) meeting was hosted by CIPC. The objective of the meeting was to discuss strategic approaches to IP rights enforcement in South Africa. A number of workshops and meetings were held with all the enforcement agencies on IP enforcement including copyright enforcement.

In 2018/19 reporting period, Cabinet approved the first phase of the draft IP Policy of the Republic of South Africa, which seeks to provide a national IP system that is cognisant of other government priorities and to provide a co-ordinated approach on IP matters by government departments and other organs of state. The IP Policy additionally aims to provide a balanced approach between preserving the rights of creators of IP on the one hand, and providing access to knowledge, technology transfer and safe affordable medicines for the benefit of all South Africans.

4.2.5 Substantive Search and Examination

One of the key policy instruments emanating from the IP Policy is the envisaged introduction of Substantive Search and Examination (SSE) of patent applications in South Africa. The IP Policy provides for a phased approach to the introduction of SSE, where the Inter-Ministerial Committee on Intellectual Property (IMCIP) established under the IP Policy, will determine the priority sectors in which patent applications will be examined. In terms of the CIPC SSE strategy roll-out, twenty(20) patent searchers were recruited and trained as part of Phase one. Phase two (2) commenced in 2018/19 with the recruitment of thirty (30) interns to train on substantive examination of Patents.

4.2.6 Digitisation

Digitisation remains key for CIPC and in preparation for the Fourth (4th) Industrial Revolution. A mobile application was launched with basic services as the first phase. Similarly, work is continuing to ensure appropriate IT technology is procured as the organisation is embracing the opportunities of a digital society. The CIPC continued with the stabilisation of its IT systems through investment in improved IT infrastructure and this led to improved functionality and enhanced security. The organisation will continue to invest in modernising its infrastructure in the five-year strategic period.

4.2.7 Financial sustainability

For the period 01 April 2018 to 31 March 2019, a total revenue of R 508.4 million was generated from business activities related to submission of Annual Returns and registrations of companies, patents, designs and trade marks. Revenue generated from other income amounted to R 7.8 million. This is comprised mainly of recognition as revenue of customer deposit balances older than three years, amounting to R 6 million, and other sundry income. Interest of R 50.7 million was earned on the Corporation for Public Deposits (CPD) investment at the South Africa Reserve Bank (SARB) and other related accounts.

It is expected that the CIPC will generate sufficient revenue over the short-to medium-term to sustain its operational activities and to improve its efficiencies in rendering and maintaining quality services, as set out in the Companies Act, 2008 (No. 71 of 2008). If the CIPC is to remain financially sustainable, and to cover the annual cost increase in service delivery, annual adjustment of fees will be required. In this regard, National Treasury (NT) approved a fee increase for the CIPC. These increases will be implemented after due legal processes are completed. During the previous year, NT approved a five-year financial sustainability analysis which confirmed that funds will be available to achieve the future organisational objectives.

In May 2019, the entity transferred R 240 million accumulated surplus to NT, resulting in a substantial decrease in interest revenue. This will have an impact on revenue going forward and it is therefore necessary for the entity to implement fee increases to remain financially sustainable. The entity envisaged implementing these increases during 2019/20 financial year.

The 2019/20 - 2023/24 Medium Term Revenue and Expenditure Framework (MTREF) for the CIPC was submitted to **the dtic** and NT, in accordance with the Public Finance Management Act (PFMA), 1999 (No. 1 of 1999). The main cost drivers for CIPC as a service organisation relate to employee remuneration, information technology services, office accommodation and service delivery enhancement projects. The remuneration of staff remains the most substantial expense, amounting to R 325 million (67%) of total operating expenditure in the 2018/2019 financial year.

As National Treasury has approved CIPC fee structure, this will make a significant contribution towards the long-term sustainability of the organisation. We are in the process of implementing the structure in the organisation. The digitisation of the organisation will assist in improving efficiencies, while addressing equitable allocation of human resources. Improvement in compliance with prescriptions for Annual Returns will be an added advantage for the organisation.

4.2.8 Organisation Design

In terms of aligning its workforce behind its strategy to become a relevant regulator in the future, the organisation is embarking on an organisational design process.

4.2.9 Organisational challenges

CIPC has limited capability to monitor the effects of modernisation. A number of interventions are put in place to address this. The ripple effect of modernisation is staff uncertainty in that their roles have changed and are continually changing as the organisation is preparing for a Fourth Industrial Revolution Organisation. The organisation is addressing these issues through a detailed organisational design process which commenced with extensive staff engagement sessions with all staff, organised labour and the Executive. Internal policies will be updated and where outstanding, drafted, once the organisational design process is completed.

Operational challenges in the business rescue space has resulted in CIPC seeking legal opinion from the State Attorney's Office which will give clarity on certain provisions of Chapter 6, Section 138 of the Companies Act.

CIPC is migrating the patent system to a system provided by WIPO to member organisations, and the migration of data has operational challenges which the organisation is mitigating. In this instance the current patent system service provider is uncooperative and CIPC is working with WIPO to address this issue.

CIPC invests significantly in the patent examiners and runs the risk of these highly qualified individuals being absorbed in the broader patent market.

The processes in trade marks, patents and design registration sections remains largely manual. There is an urgent need to automate all workflow processes to ensure an efficient and seamless operational system that supports implementation of substantial examination in patent applications. There is also a need to ensure examiners are provided with a conducive environment in which to work. The open plan office environment is not favourable for the type of work examiners will undertake, as they require a quiet environment where they can concentrate and focus on their work.

There has been low uptake of the use of Independent Review as a form of assurance, and the low levels of reporting by recognised Independent Review professionals/practitioners. All Accounting and Auditing Professional Bodies throughout the country were visited to explore ways to address these challenges. Webinar events will be organised to meet targeted audiences and address this challenge.

5. Alignment to the Medium Term Strategic Framework 2019-2024

MTSF Priority	MTSF Interventions	CIPC Outcome	CIPC Strategic Objective	CIPC Contribution to MTSF Priority and Outcomes
Priority 1: A capable, ethical and developmental state	Integrated Monitoring System for public sector accountability	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.	Adhere to compliance, governance, and reporting guidelines.
	Modernise service processes in the public sector.	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Strategic Objective 1.1: 24/7 access to all CIPC products and services. Strategic Objective 1.2: Timely delivery of all CIPC products and services.	CIPC will continue to invest in ICT assets <ul style="list-style-type: none"> To ensure multiple access channels to CIPC and other services promoting ease of doing business. To automate processes to improve speed at which CIPC and other services are delivered. To partner with government entities and private entities such as banks to innovate ways to provide easy access to CIPC and other integrated services.
	100% reduction of wasteful and fruitless expenditure in the public sector institutions.	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.	Monitor expenditure and ensure that adherence to correct procedures
	Improve financial management capability by implementing the Integrated Financial Management System in the public sector.	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.	Implement Integrated Financial Management System when guidelines are received.

MTSF Priority	MTSF Interventions	CIPC Outcome	CIPC Strategic Objective	CIPC Contribution to MTSF Priority and Outcomes
	Implement job competency framework for public sector by 2023 to build a professional public administration.	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Implement job competency framework when guidelines are received
Priority 2: Economic Transformation and Job Creation	Improve ease of doing business	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Strategic Objective 1.1: 24/7 access to all CIPC products and services. Strategic Objective 1.2: Timely delivery of all CIPC products and services.	CIPC will continue to invest in ICT assets <ul style="list-style-type: none"> To ensure multiple access channels to CIPC and other services promoting ease of doing business. To automate processes to improve speed at which CIPC and other services are delivered. To partner with government entities and private entities such as banks to innovate ways to provide easy access to CIPC and other integrated services.
	Facilitate and support 200 000 functional small businesses and cooperatives by 2024.	Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa	Strategic Objective 2.1: Increased knowledge and awareness on Company and IP Laws.	Automation of co-operatives registration and maintenance processes. Conduct education and awareness events for small business and cooperatives on opportunities and compliance with relevant legislation. Conduct media campaigns and exhibitions of CIPC services.

MTSF Priority	MTSF Interventions	CIPC Outcome	CIPC Strategic Objective	CIPC Contribution to MTSF Priority and Outcomes
	Create 275 000 jobs per year through Job Summit Commitments, Operation Phakisa and other public sector employment programmes.	Outcome 1: Reduced administrative compliance burden for companies and IP owners Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa	Strategic Objective 1.1: 24/7 access to all CIPC products and services. Strategic Objective 1.2: Timely delivery of all CIPC products and services. Strategic Objective 2.1: Increased knowledge and awareness on Company and IP Laws.	Through reduction of an administrative burden and building a reputable business regulation and IP protection environment in SA, CIPC will indirectly contribute enterprise efficiencies and credibility resulting in sustainable and profitable business contributing job creation.
	Implement Presidential comprehensive youth employment interventions that absorb 1 million youth in NEET in employment by 2024.	Outcome 1: Reduced administrative compliance burden for companies and IP owners Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa	Strategic Objective 1.1: 24/7 access to all CIPC products and services. Strategic Objective 1.2: Timely delivery of all CIPC products and services. Strategic Objective 2.1: Increased knowledge and awareness on Company and IP Laws. Strategic Objective 2.2: Improved compliance with the Company and IP Laws	Through reduction of an administrative burden and building a reputable business regulation and IP protection environment in SA, CIPC will indirectly contribute enterprise efficiencies and credibility resulting in sustainable and profitable business contributing job creation.
	Expand government spend on women, youth and persons with disabilities through preferential procurement	Outcome 1: Reduced administrative compliance burden for companies and IP owners	Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.	CIPC to continue implementing preferential procurement from women, youth and persons with disabilities
Priority 3: Education, skills and health	N/A	N/A	N/A	N/A

MTSF Priority	MTSF Interventions	CIPC Outcome	CIPC Strategic Objective	CIPC Contribution to MTSF Priority and Outcomes
Priority 4: Consolidating the social wage through reliable and quality basic services	N/A	N/A	N/A	N/A
Priority 5: Spatial integration, human settlements and local government	Profile and support enterprise development in townships through financial incentives and other non-financial forms of support.	Outcome 1: Reduced administrative compliance burden for companies and IP owners Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa	Strategic Objective 1.1: 24/7 access to all CIPC products and services. Strategic Objective 1.2: Timely delivery of all CIPC products and services. Strategic Objective 2.1: Increased knowledge and awareness on Company and IP Laws. Strategic Objective 2.2: Improved compliance with the Company and IP Laws	To provide non-financial forms of support for enterprise development through easy and quick access to the CIPC services, as well as conducting education and awareness events, media campaigns, and exhibition on Company and IP laws and related opportunities.
Priority 6: Social cohesion and safe communities	N/A	N/A	N/A	N/A
Priority 7: A better Africa and world	80% of international standards domesticated, to improve the conditions for all South Africans.	Outcome 1: Reduced administrative compliance burden for companies and IP owners Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa	Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.	CIPC to continue to participate in international bodies such as WIPO, BRICS and Corporate Registrars Forum.

6. Minister's priorities

The key policy areas identified for the CIPC by the Minister of Trade and Industry were identified as follows:

Minister's Priority		Planned Action
(i)	Education and awareness focusing on educating the public on the services rendered by the CIPC especially on Companies and intellectual property (IP) and Indigenous knowledge (IK).	See Programme 3 Performance Information
(ii)	Implementation and monitoring the effective of Business Rescue.	This is provided for in the CIPC Annual Operational Plan and reported on in the Quarterly Performance Report.
(iii)	Facilitating ease in respect of annual returns and reducing the burden to small businesses.	This is provided for in the CIPC Annual Operational Plan and reported on in the Quarterly Performance Report.
(iv)	Monitoring compliance with the provisions relating to Social and Ethics Committees.	This is provided for in the CIPC Annual Operational Plan and reported on in the Quarterly Performance Report.
(v)	Capacity building for the implementation of a substantive search and examination system for patents.	This is provided for in the CIPC Annual Operational Plan and reported on in the Quarterly Performance Report.
(vi)	Promoting accessibility and simplicity in the process for registration of IP, especially for small businesses and artists.	This is provided for in the CIPC Annual Operational Plan and reported on in the Quarterly Performance Report.
(vii)	Combating piracy, trade marks and copyright infringements.	See Programme 2 Performance Information.

Part C: MEASURING OUR PERFORMANCE



7. Institutional Programme Performance Information

Programme:

Programme 1 - Service Delivery and Access

Purpose:

The purpose of the Programme 1: Service Delivery and Access is to promote better access to and service delivery by CIPC by ensuring that our access channels are secure and easily accessible to all, that the institution has sufficient and appropriate organisational resources to deliver the best possible service and that operational excellence is established in all areas of the organisation.

In order to ensure quality service delivery, the CIPC must place focus on its internal performance. The CIPC must act as an intelligent, innovative high-performance organisation in which employee morale and development is emphasised.

The emphasis of the CIPC business model is equally on the quality of the services it provides, the acceptable speed with which it delivers them and the value that its products, services and solutions generate for customers. The CIPC's business model focuses on the manner in which it will deliver services, the quality of those services, the fees it will charge to be sustainable and the potential for value addition.

Outcomes, Outputs, Performance Indicators, and Targets

Outcome 1: Reduced administrative compliance burden for companies and IP owners.								
Output	Performance Indicator/ Measure	Audited Actual Performance			Estimate Performance	Medium Term Targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Strategic Objective 1.1: 24/7 access to all CIPC products and services.								
Increase % in website performance for e-services 24/7	% website performance for e-services 24/7	96%	95%	94%	90%	93%	95%	95%
Increase in % of CIPC services with an option to file electronically compared to manually filed services	% of CIPC services with an option to file electronically compared to manually filed (See Annexure A)	18%	20%	26%	27%	29%	50%	50%
Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.								
Increase the score of the customer stakeholder value index	A score between 1 – 10 of the customer and stakeholder value index, a higher score indicating satisfaction with the CIPC	6.3	6.95 (Not audited)	7.4	Not measured	7.5	8	8

Indicators, Annual, and Quarterly Targets

Goal/Outcome 1: Reduced administrative compliance burden for companies and IP owners.							
Output	Performance Indicator/ Measure	Baseline	2020/21 Annual Target	Quarterly Milestones			
				1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Strategic Objective 1.1: 24/7 access to all CIPC products and services.							
Increase % in website performance for e-services 24/7	% website performance for e-services 24/7	93%	93%	95%	95%	95%	93%
Increase in the % of CIPC services with an option to file electronically compared to manually filed services	% of CIPC services with an option to file electronically compared to manually filed services)	27%	29%	27%	28%	28%	29%
Strategic Objective 1.3: Intelligent, innovative, high performance organisational environment.							
Increase the score of the customer stakeholder value index	A score between 1 – 10 of the customer and stakeholder value index, a higher score indicating satisfaction with the CIPC	7.4	7.5	–	–	–	7.5

Explanation of planned performance over the medium term period

High 'website performance' ensure ease of access and transacting with the CIPC which in turn contribute towards ensuring that more CIPC services are available 24/7, and therefore reducing the administrative regulatory burden.

Increase in 'CIPC services with an option to file electronically compared to manually filed services' means that more processes are automated. Automation ensures that transacting with the CIPC is speedily, and therefore contributing to reducing the administrative compliance burden.

'The customer and stakeholder satisfaction survey' measures the perception of customers and stakeholders on the CIPC services. The survey results show if the CIPC is making an impact to its customers and stakeholders.

Resource Considerations for Programme 1

Programme Name: Administration (Service Delivery and Access)					
Economic classification	Expenditure Outcome	Approved Budget	Medium-Term Expenditure Estimate		
	2018/19 R '000	2019/20 R '000	2020/21 R '000	2021/22 R '000	2022/23 R '000
Current payment Compensation of employees and Goods & services, etc.	363 982	447 355	474 196	502 648	532 806
Payments of capital assets Building and other fixed structure Machinery & equipment	30 394	139 750	137 897	143 498	20 400
Other classifications	394 376	587 105	612 093	646 146	553 206

Programme:

Programme 2: Innovation and Creativity Promotion

Purpose:

The purpose of Programme 2: Innovation and Creativity Promotion is to support and promote local innovation and creativity by maintaining accurate and secure registries of patents, designs, film productions and creative works. Under this programme, the CIPC also supervises and regulates the distribution of collected royalty by accredited collecting agencies. In addition, the programme is responsible for providing policy inputs and legal advisory opinion on the coordination, implementation and impact of the respective IP laws. Furthermore, the group ensures that the implementation of the national IP regime is in alignment with the international IP system.

The primary function of the Innovation and Creativity Promotion Programme is to promote and support the registration of i) patents, ii) designs and iii) film productions. Through this programme CIPC also registers patent attorneys that have passed the Patent Board Examination. Other functions of the Programme include, the coordination of appropriate enforcement actions; education and creating awareness of the requirements and benefits of registration of IP rights, the remedies available and the opportunities for commercialisation and industrial development through efficient management of IP assets.

Through this programme the CIPC also provides policy and legal insights on the implementation and impact of the relevant IP legislation. Thus, additional functions in this programme include in-depth research to identify gaps and to analyse the impact of IP rights registration forming the basis for further IP policy inputs. The programme for monitoring the unauthorized use of private and public IP rights, with a particular focus on the protection of IP rights holders in the creative industries.

Outcomes, Outputs, Performance Indicators, and Targets

Goal/Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.								
Output	Performance Indicator/ Measure	Audited Actual Performance			Estimate Performance	Medium Term Targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Strategic objective 2.1: Increased knowledge and awareness on Company and IP Laws.								
Increased IP knowledge and awareness	Number of education and awareness events on IP conducted by the CIPC	–	–	23	60	30	40	40
Strategic Objective 2.2: Improved compliance with the Company and IP Laws								
Increased IP knowledge and awareness on IP Enforcement	Number of education and awareness events on IP enforcement conducted by the CIPC	–	–	4	13	6	8	10

Indicators, Annual, and Quarterly Targets

Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.							
Output	Performance Indicator/ Measure	Baseline	2020/21 Annual Target	Quarterly Milestones			
				1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Strategic objective 2.1: Increased knowledge and awareness on Company and IP Laws.							
Increased IP knowledge and awareness	Number of education and awareness events on IP conducted by the CIPC	60	30	8	15 (7)	25 (10)	30 (5)
Strategic Objective 2.2: Improved compliance with the Company and IP Laws							
Increased IP knowledge and awareness on IP Enforcement	Number of education and awareness events on IP enforcement conducted by the CIPC	13	6	2	3 (1)	5 (2)	6 (1)

Explanation of planned performance over the medium term period

Education and awareness activities are in fulfilment of the CIPC mandate as outlined in the Companies Act, 2008 (No. 71 of 2008). Education and awareness on IP and IP enforcement aims to promote local innovation and creativity contributing to a reputable IP protection environment that meets international standards.

Resource Considerations for Programme 2

Programme Name: Innovation and creativity promotion					
Economic classification	Expenditure Outcome	Approved Budget	Medium-Term Expenditure Estimate		
	2018/19 R '000	2019/20 R '000	2020/21 R '000	2021/22 R '000	2022/23 R '000
Current payment Compensation of employees and Goods & services, etc.	48 531	59 647	63 226	67 020	71 041
Payments of capital assets Building and other fixed structure Machinery & equipment	–	–	–	–	–
Other classifications	48 531	59 647	63 226	67 020	71 041

Programme:

Programme 3: Business Regulation and Reputation

Purpose:

The purpose of the Programme 3: Business Regulation and Reputation is to enhance the reputation of South African businesses and the South African business environment by ensuring that the registers of corporate entities, their managers and their identity have integrity and that a culture of corporate compliance and high standards of governance, disclosure and corporate reputation is established. The programme also aims to provide policy and legal insight and advice on the co-ordination, implementation and impact of the respective laws.

The following functions, amongst others, fall within this programme:

- maintaining registers of companies and close corporations, co-operatives, directors and delinquent persons, and trade marks as well as company names and business names,
- accreditation of practitioners and intermediaries,
- educating business owners and practitioners on compliance of the legislation as well as,
- promote and enforce compliance with the legislation.

The CIPC is required to monitor compliance with certain requirements of the legislation, such as the submission of annual returns, the rotation of auditors and disclosures in terms of the financial reporting standards and the requirements for prospectuses. Furthermore, the CIPC investigates complaints and enforces the provision of the Companies Act, the Close Corporations Act, the Share Block Companies Act and the Co-operatives Act relating to governance and disclosure.

The Business Regulation and Reputation Programme also incorporate a focus on corporate policy and legal matters. This includes support for the prosecution of offences, the interpretation of laws, as well as the proposal of amendments to legislation and regulations. The function also entails continuously tracking international developments in the areas of corporate governance, disclosure, corporate registration and enforcement and trade marks.

Complaints relating to Companies may be filed in writing with the CIPC upon receiving a complaint, the CIPC may resolve:

- (i) not to investigate

- (ii) to refer it to the Companies Tribunal or Accredited Agency or other appropriate regulatory authority or
- (iii) to direct an investigator or inspector to investigate.

After receiving an investigation report the Commission may

- (i) excuse a respondent
- (ii) refer the complaint to the Companies Tribunal;
- (iii) issue a notice of non-referral to complainant, advising the complainant of any rights to seek a remedy in court;
- (iv) propose that the complainant and any affected person meet with the Commission or with the Tribunal, to resolve matter by consent order;
- (v) commence proceedings in a court in the name of the complainant, if the complainant—
 - has a right to apply to a court; and
 - has consented to the Commission to do so;
- (vi) refer the matter to the NPA, or other regulatory authority, if Commission alleges that a person has committed an offence in terms of this Act or any other legislation; or
- (vii) issue a compliance notice in terms of section 171.

Outcomes, Outputs, Performance indicators, and Targets

Goal/Outcome 1: Reduced administrative compliance burden for companies and IP owners.								
Output	Performance Indicator/ Measure	Audited Actual Performance			Estimate Performance	Medium Term Targets		
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Strategic Objective 1.2: Timely delivery of all CIPC products and services.								
Reduction in the average number of days to register a company from the date of receipt of a complete application	The average number of days to register a company from the date of receipt of a complete application.	6	3	2	2	2	2	1
Reduction in the average number of days to register a co-operative from the date of receipt of a complete application.	The average of number of days to register a co-operative from the date of receipt of a complete application.	15	3	3	2	3	2	1
Goal/Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.								
Strategic objective 2.1: Increased knowledge and awareness on Company and IP Laws.								
Increased level of awareness of Company Act and other related legislation	Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation	-	-	3	4	3	4	5

Indicators, Annual, and Quarterly Targets

Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.							
Output	Performance Indicator/ Measure	Baseline	2020/21 Annual Target	Quarterly Milestones			
				1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Goal/Outcome 1: Reduced administrative compliance burden for companies and IP owners.							
Strategic Objective 1.2: Timely delivery of all CIPC products and services.							
Reduction in the average number of days to register a company from the date of receipt of a complete application	The average number of days to register a company from the date of receipt of a complete application.	2	2	2	2	2	2
Reduction in the average number of days to register a co-operative from the date of receipt of a complete application.	The average number of days to register a co-operative from the date of receipt of a complete application.	2	3	3	3	3	3
Goal/Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa							
Strategic objective 2.1: Increased knowledge and awareness on Company and IP Laws.							
Increased level of awareness of Company Act and other related legislation	Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation	4	3	0	1	2 (1)	3 (1)

Explanation of planned performance over the medium term period

Reduction of company and co-operatives registration turnaround time reduce the administrative compliance burden for companies and co-operatives that results from long waiting period impacting businesses negatively.

Education and awareness activities are in fulfilment of the Companies Act, 2008 (No. 71 of 2008). They furthermore, promote entrepreneurship and compliance to company law therefore ensuring a reputable business environment.

Annual returns filings show the level of awareness of annual returns filing requirements. Any type of compliance including annual returns filing contribute to building a reputable business environment in South Africa.

Recourse Considerations for Programme 3

Programme Name: Business Regulations and Reputation					
Economic classification	Expenditure Outcome	Approved Budget	Medium-Term Expenditure Estimate		
	2018/19 R '000	2019/20 R '000	2020/21 R '000	2021/22 R '000	2022/23 R '000
Current payment Compensation of employees and Goods & services, etc.	72 796	89 471	94 839	100 530	106 561
Payments of capital assets Building and other fixed structure Machinery & equipment	–	–	–	–	–
Other classifications	72 796	89 471	94 839	100 530	106 561

8. Key Risks

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN	
Outcome 1: Reduced administrative compliance burden for companies and IP owners.					
24/7 access to all CIPC products and services.	Inadequate availability and accessibility of service channels.	1	<ul style="list-style-type: none"> Automated business tools (email, website, query resolution system, mobile) Call centre 	1	<ul style="list-style-type: none"> Systems change processes for prioritised and identified areas with manual processes (Projects) Continuous monitoring and reporting on the status of identified priority automation projects Self service terminals/centres to be accessible for IP customers SST and SSC training Roll-out IP training to call centre
		2	<ul style="list-style-type: none"> Website Education and awareness initiatives (e.g. campaigns and workshops) Marketing collateral (e.g. brochures) Social media Partnerships with other role players (e.g. Seda, the dtic, WIPO) 	2	<ul style="list-style-type: none"> Review media strategy (digital, broadcast, print) Optimise information presentation on website (simple, accessible and easy to use) Utilisation of technology to build awareness where accessible
		3	<ul style="list-style-type: none"> Ongoing quality management initiatives 	3	<ul style="list-style-type: none"> Resourcing of quality management function
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
				#Agreed action plan	
		1	Customer communication, education and awareness initiatives (including media campaign)	1	Continuous SMME training and reporting on IP services
		2	<ul style="list-style-type: none"> Customer survey Crisis communications Media monitoring and management 	2	Enhance research capability to gather customer intelligence
3	Service delivery channels (physical and digital)	3	Continuously increase channels that offer products and services (Per APP targets)		
24/7 access to all CIPC products and services	Inadequate ICT infrastructure	1	ICT strategic plan included in organisational business plan		Modernisation of key systems (to reduce dependence on 3rd parties)

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN	
24/7 access to all CIPC products and services.	Inadequate ICT infrastructure	2	<ul style="list-style-type: none"> BISG high-level processes Project prioritisation forum Change control procedures 	2	Develop and implement identified and prioritised technology platform components according to plan
		3	<ul style="list-style-type: none"> Separation between live, testing, production and pre-production environments Implementation standards 	3	Finalise technology migration and configure new testing, production and pre-production environments
		4	<ul style="list-style-type: none"> Integration of various business systems through e-channels (digital) Prioritised application systems rollout strategy and plan implementation 	4	Prioritised application systems rollout strategy and plan implementation
		5	SLA management with the dtic	5	Dependence on connectivity to the dti network to be addressed through procurement of new VOIP call centre solution
Timely delivery of all CIPC products and services.	Lack of stability of IT systems (CIPC, Partners and 3rd party providers)	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN	
				#Agreed action plan	
		1	<ul style="list-style-type: none"> SLA management Skills transfer (into CIPC) 	1	Staff retention model and succession plan
		2	<ul style="list-style-type: none"> Integration of various business systems through e-channels (digital) Prioritised application systems rollout strategy and plan implementation 	2	Business process driven application development model using the K2 development framework
		3	Planned proactive systems maintenance	3	None proposed
		4	<ul style="list-style-type: none"> Skills procurement as required Skills development (needs-based) 	4	Skills transfer to be included in all future technology procurement and SLAs
5	Resource planning and procurement aligned with business needs	5	<ul style="list-style-type: none"> Review and align BISG structure and Job Descriptions to business model Provide inputs into the OD review project 		

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)	CONTROL IMPROVEMENT PLAN		
			#Agreed action plan		
		1	Consequence management (performance)	1	None proposed
		2	<ul style="list-style-type: none"> • Trouble-shooting • Customer communication, education and awareness initiatives (including media campaign) 	2	None proposed
		3	Legal support	3	None proposed
		4	Human resource management and staff engagement	4	None proposed
		5	Service delivery channels (physical and digital)	5	Continuously increase channels that offer products and services (Per APP targets)
6	<ul style="list-style-type: none"> • Integration of various business systems through e-channels (digital) • Prioritised application systems rollout strategy and plan implementation 	6	Prioritised application systems rollout strategy and plan implementation		
Timely delivery of all CIPC products and services.	Inability to effectively manage stakeholder relations and expectations	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
			#Agreed action plan		
		1	Education, awareness, branding and media campaign initiatives	1	<ul style="list-style-type: none"> • Consolidation meetings (for relevant process stakeholders) • Integration of education and awareness with customer communication process
2	Proactive communication of expected process interruptions via website	2	<ul style="list-style-type: none"> • Ensure adherence with communication protocols (web, social-media, print etc) • Integrated marketing and communication structure 		

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)	CONTROL IMPROVEMENT PLAN
			#Agreed action plan
		1 Consequence management (performance)	1 None proposed
		2 <ul style="list-style-type: none"> • Trouble-shooting • Customer communication, education and awareness initiatives (including media campaign) 	2 None proposed
		3 Legal support	3 None proposed
		4 Human resource management and staff engagement	4 None proposed
		5 Service delivery channels (physical and digital)	5 Continuously increase channels that offer products and services (Per APP targets)
		6 <ul style="list-style-type: none"> • Integration of various business systems through e-channels (digital) • Prioritised application systems rollout strategy and plan implementation 	6 Prioritised application systems rollout strategy and plan implementation
Timely delivery of all CIPC products and services.	Inability to effectively manage stakeholder relations and expectations	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN
			#Agreed action plan
		1 Education, awareness, branding and media campaign initiatives	1 <ul style="list-style-type: none"> • Consolidation meetings (for relevant process stakeholders) • Integration of education and awareness with customer communication process
		2 Proactive communication of expected process interruptions via website	2 <ul style="list-style-type: none"> • Ensure adherence with communication protocols (web, social-media, print etc) • Integrated marketing and communication structure

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN	
Timely delivery of all CIPC products and services.	Inability to effectively manage stakeholder relations and expectations	3	Current automation initiatives (reduce human error rate) and optimise efficiencies	3	<ul style="list-style-type: none"> Training on CIPC products & services, customer care to CIPC staff Quality assurance in customer service Debriefing for staff dealing with difficult circumstances in client service
		4	Adhoc research conducted in the process of developing strategic planning documents	4	Establish CIPC research capacity (establish unit, develop policies and methods) (dependent on OD project)
		5	Signed MOU and SLAs with various stakeholders	5	Appointment of senior manager: strategic communications (dependent on OD project)
		6	Each business unit manages own stakeholders on an Adhoc basis	6	Finalisation and approval of stakeholder management strategy
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
				#Agreed action plan	
		1	Crisis communications	1	Finalisation and approval of stakeholder management strategy
		2	Financial monitoring and reporting	2	None proposed
		3	<ul style="list-style-type: none"> Crisis communications Media monitoring and management 	3	Finalisation and approval of stakeholder management strategy
		Timely delivery of all CIPC products and services.	Inadequate information & cyber-security	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	
				#Agreed action plan	
		1	<ul style="list-style-type: none"> Security, network and infrastructure policies and procedures Information security management system (policies and procedures) Data disclosure strategy 	1	<ul style="list-style-type: none"> Business process driven application development model using the K2 development framework Complete legacy migration to oracle

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
Timely delivery of all CIPC products and services.	Inadequate information & cyber-security	2	<ul style="list-style-type: none"> • ICT continuity strategy • Review and continuous improvement of physical and logical access protocols • Vulnerability assessments • Data back-ups • Periodic penetration testing • Conduct social engineering test/ audit 	2	Complete phase 2 of cyber-security solution implementation and ID management
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
				#Agreed action plan	
		1	<ul style="list-style-type: none"> • Security, network and infrastructure policies and procedures • Information security management system (policies and procedures) • Data disclosure strategy 	1	None proposed
		2	<ul style="list-style-type: none"> • Crisis communications • Media monitoring and management • Troubleshooting (ICT) 	2	Enhance research capability to gather customer intelligence
3	Legal support	3	None proposed		
Timely delivery of all CIPC products and services.	Inadequate data integrity	EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
				#Agreed action plan	
		1	<ul style="list-style-type: none"> • Data policies, processes, procedures and conventions • Data validation techniques • Third party verification system • Automated integrity checks 	1	Continuous improvement of automated integrity checks
2	<ul style="list-style-type: none"> • Access to the source code of our systems • Security, network and infrastructure policies and procedures • Information security management system (policies and procedures) • Data disclosure strategy 	2	Complete phase 2 of cyber-security solution implementation and ID management		

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
Timely delivery of all CIPC products and services.	Inadequate data integrity	EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)	CONTROL IMPROVEMENT PLAN		
		#Agreed action plan			
		3	Improvement of data accuracy and integrity through implementation of business rules in applications	3	Transformation of and migration to new data structures
		4	<ul style="list-style-type: none"> Digitisation of records Automation of dematerialised data and records 	4	<ul style="list-style-type: none"> Procurement, development and implementation of data warehouse and BI environment Finalise technology migration and configure new testing, production and pre-production environments
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
		#Agreed action plan			
		1	Consequence management (performance)	1	None proposed
		2	<ul style="list-style-type: none"> Crisis communications Media monitoring and management Troubleshooting (ICT) 	2	None proposed
		3	Legal support	2	None proposed
		4	Stakeholder management	4	None proposed
An intelligent, innovative, high performance organisational environment	Ineffective governance and oversight over finance and supply chain management	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
		#Agreed action plan			
		1	<ul style="list-style-type: none"> SCM policy Delegation of authority Central supplier database Supply chain governance committees 	1	<ul style="list-style-type: none"> Review SCM structure, policy and procedures to ensure operational effectiveness and role clarity Review of the delegation of authority framework (Finance to provide input to GRC on financial delegations)
2	<ul style="list-style-type: none"> Integration of planning and budgeting processes Signed-off divisional procurement plans as part of the annual budget process 	2	Integration of strategic planning, annual procurement planning and budgeting		

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN	
An intelligent, innovative, high performance organisational environment	Ineffective governance and oversight over finance and supply chain management	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN	
		#Agreed action plan		
		3	<ul style="list-style-type: none"> Contract management process SCM reporting requirements (supplier performance) 	3 <ul style="list-style-type: none"> S/Term: Units to provide quarterly SLA reports L/Term: Implementation of contract management system
		4	Quarterly SCM & Financial reporting to EXCO and Risk and Audit Committees	4 Monthly SCM & Financial reporting to be introduced
		5	<ul style="list-style-type: none"> SCM policy Irregular expenditure monitoring Fruitless, wasteful expenditure monitoring Anti-fraud and corruption plan 	5 None proposed
		6	Preference to legislative compliance requirements where there is process conflict	6 Action pending completion of OD project
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN
		#Agreed action plan		
		1	Consequence management (performance)	1 None proposed
		2	<ul style="list-style-type: none"> Finance policies Anti-fraud policy Investigations and recovery process 	2 None proposed
		An intelligent, innovative, high performance organisational environment	Financial sustainability	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)
#Agreed action plan				
1	<ul style="list-style-type: none"> Cost-containment measures Approved fee structure Budget process Budget monitoring 			1 Implement approved fee structure (deferred in 2019/20)
2	Quarterly SCM & Financial reporting to EXCO and Risk and Audit Committees	2 Timeous procurement planning to ensure funding commitment within the relevant financial year		

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN	
An intelligent, innovative, high performance organisational environment	Financial sustainability	EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
				#Agreed action plan	
		1	CIPC Vision 2030	1	None proposed
		EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN	
		#Agreed action plan			
An intelligent, innovative, high performance organisational environment	Lack of optimal and professional organisational culture	1	Performance management system	1	<ul style="list-style-type: none"> Review alignment between performance management system and related SOPs Review of job descriptions to ensure alignment with performance management system Implementation of consequence management for performance management exceptions
		2	None suggested	2	<ul style="list-style-type: none"> Talent management strategy implementation Staff survey Output based management (aligned with organisational targets) Implement change management strategy
		3	Policies and procedures	3	<ul style="list-style-type: none"> Develop a knowledge management system Develop and regularly update the intranet information sharing platform Policy and procedure awareness
		4	Strategic plan	4	<ul style="list-style-type: none"> Embark on organisational design process (will define the structural enhancements and skill needs) Review of internal governance framework (GRC) to clarify roles and responsibilities

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN
An intelligent, innovative, high performance organisational environment	Lack of optimal and professional organisational culture	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN
		#Agreed action plan	#Agreed action plan
		5 Values defined	5 <ul style="list-style-type: none"> • Values survey • Education and awareness (on values) • Simplification and rationalisation of values
An intelligent, innovative, high performance organisational environment	Ineffective people management	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN
		#Agreed action plan	#Agreed action plan
		1 [Moratorium in place] - Recruitment policy	1 <ul style="list-style-type: none"> • Recruitment policy review • Implementation of recruitment strategy • As-and-when review of HR policies, procedures and practices
		2 None suggested	2 Embark on organisational design process (will define the structural enhancements and skill needs)
		3 None suggested	3 Embark on organisational design process (will define the structural enhancements and skill needs)
		4 HR Policies	4 Ongoing engagement with organised labour
		5 None suggested	5 Continuous training of staff
		6 <ul style="list-style-type: none"> • Bursary programme • Short courses • Internal training • Personal development plans 	6 Training on CIPC products & services, customer care to CIPC staff
		7 None suggested	7 <ul style="list-style-type: none"> • Procurement of new office premises • Facilities management plan
		8 None suggested	8 Embark on organisational design process (will define the structural enhancements and skill needs)
9 <ul style="list-style-type: none"> • Health and safety policy • Compliance certificate • Health and safety inspections • Security provided by landlord 	9 Security policy approval and implementation		

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN	
Outcome 2: A reputable Business Regulation and IP Protection environment in South Africa.				
Increased knowledge and awareness on Company and IP Laws	Inadequate accessibility of Intellectual Property (IP) services	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN	
		#Agreed action plan		
		1	<ul style="list-style-type: none"> Partnerships with other role players (e.g. Seda, the dtic, EPO, WIPO) Training and awareness (to build internal skills) 	1 <ul style="list-style-type: none"> Develop training plan (for IP services) Ongoing training and awareness (to build internal skills) Build inhouse ICT capacity for IP tools development
		2	<ul style="list-style-type: none"> Inventors assistance programme WIPO partnership 	2 <ul style="list-style-type: none"> Optimisation of inventor assistance programme in terms of education and awareness and application system Inputs to influence policies and law (Consultations with DTI to ensure the IP policy is being developed)
		3	<ul style="list-style-type: none"> Website Education and awareness initiatives (e.g. campaigns and workshops) Marketing collateral (e.g. brochures) Social media Partnerships with other role players (e.g. Seda, the dtic, WIPO) 	3 <ul style="list-style-type: none"> Review media strategy (digital, broadcast, print) Optimise information presentation on website (simple, accessible and easy to use) Utilisation of technology to build awareness where accessible
		4	<ul style="list-style-type: none"> International engagements to shape and direct the IP space Train the trainer programme with WIPO and Department of Small Business Development Inventors Assistance programme (IAP) 	4 <ul style="list-style-type: none"> Optimisation of inventor assistance programme in terms of education and awareness and application system
		EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)		CONTROL IMPROVEMENT PLAN
#Agreed action plan				
1	<ul style="list-style-type: none"> Customer survey Crisis communications Media monitoring and management 	1	Training for the second group of SSEs (Interns) scheduled for completion by 31 March 2022	

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN	
Increased knowledge and awareness on Company and IP Laws	Inadequate accessibility of Intellectual Property (IP) services	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN	
		#Agreed action plan		
		2	<ul style="list-style-type: none"> IPAS (intellectual property administration system) approved for implementation EpoqueNet system for patent searches 	2 <ul style="list-style-type: none"> Implementation of IPAS system in terms of plan Appointment of 2 x ICT Officers to support SSEP Testing of the SSEP system (ICT support required)
		3	Signed MOU between CIPC and WIPO	3 None proposed
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN
		#Agreed action plan		
		1	Consequence management (performance)	1 None proposed
		2	<ul style="list-style-type: none"> Customer survey Crisis communications Media monitoring and management 	2 Enhance research capability to gather customer intelligence
		3	Customer communication, education and awareness initiatives (including media campaign)	3 None proposed
		4	Legal support	4 None proposed
Improve compliance with provisions of the Company Act and other relevant legislation; and IP legislation through compliance monitoring and enforcement activities	Ineffective and inefficient enforcement	EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)	CONTROL IMPROVEMENT PLAN	
		#Agreed action plan		
		1	Integration with law enforcement agencies	1 None proposed
		2	Education and awareness on enforcement to various stakeholders (IP)	2 Develop a strategy to handover certain functions currently conducted by the CIPC to relevant authorities (i.e. Police to champion and conduct raids)
		3	Legal opinion/ support	3 None proposed
		4	Capacitated internal staff with regards to enforcement	4 None proposed
		5	Training of law enforcement agencies in the CIPC enforcement mandate and law	5 Implement additional training of law enforcement agencies on IP enforcement

STRATEGIC OBJECTIVES	RISK DEFINITION	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
Improve compliance with provisions of the Company Act and other relevant legislation; and IP legislation through compliance monitoring and enforcement activities	Ineffective and inefficient enforcement	EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)	CONTROL IMPROVEMENT PLAN		
		#Agreed action plan			
		6	None suggested	6	To provide formal inputs for legislative review to the dti
		7	Capacitated internal staff with regards to enforcement	7	None proposed
		8	Education and awareness on enforcement to various stakeholders (IP)	8	None proposed
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
		#Agreed action plan			
		1	<ul style="list-style-type: none"> Customer survey Crisis communications Media monitoring and management 	1	Enhance research capability to gather customer intelligence
		2	Consequence management (performance)	2	None proposed
		3	Legal support	3	None proposed
An intelligent, innovative, high performance organisational environment	Labour relations and stability thereof	EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK)	CONTROL IMPROVEMENT PLAN		
		#Agreed action plan			
		1	Bargaining forums	1	<ul style="list-style-type: none"> Management review to ensure that Exco resolutions are appropriately communicated into the bargaining forums to build effectiveness Relationship building initiatives with Labour
		EXISTING CONTROLS (TO REDUCE IMPACT OF RISK)		CONTROL IMPROVEMENT PLAN	
#Agreed action plan					
1	Consequence management (performance)	1	None proposed		

PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDs)



9. Technical Indicator Descriptions

Indicator Title	% website performance for e-services 24/7 (1)
Definition	Performance of CIPC website for our Customers to transact, 24 hours a day, 7 days a week.
Source of data	Systems Reports
Method of calculation/ Assessment	We will regard any page on the e-services site taking longer than 4 seconds as unavailable. The results are aggregated for a month showing actual achievement as a percentage. The report should cover from the 1st of the reporting period until the last day of the month of the reporting period.
Means of Verification	<ul style="list-style-type: none"> The data manager extracts the report, make calculations and analysis. The Executive Manager: Business Intelligence and Systems quality checks the reports, calculations and analysis and availability of supporting evidence. The Strategy, Planning and Monitoring Unit verifies the correctness of calculations. The Chief Strategy Executive reviews the report, and calculations.
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	A high percentage of website performance.
Indicator responsibility	The Executive Manager: Business Intelligence and Systems takes overall responsibility for the production and submission of reports.

Indicator Title	% of CIPC services with an option to file electronically compared to services which may only be filed manually (2)
Definition	CIPC services with an option to file electronically compared to services which may only be filed manually (electronically means applications are not captured by CIPC)
Source of data	Executive Report by Business Intelligence Systems Group
Method of calculation/ Assessment	A list of services is provided which shows how services are offered - manually, electronically, hybrid. These are summed up and the % calculated.
Means of Verification	<ul style="list-style-type: none"> The data manager prepares the report, and makes calculations and evidence. The relevant Senior/Divisional/Executive Manager quality checks and verifies the correctness of the report and evidence. The Strategy, Planning and Monitoring Unit verifies the correctness of the report and calculations. The Chief Strategy Executive reviews the report and calculations.
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	An increase in the % of CIPC services with an option to file electronically compared to services which may only be filed manually
Indicator responsibility	The Executive Manager: Business Intelligence and Systems takes overall responsibility for the production and submission of reports.

Indicator Title	A score between 1 – 10 of the customer and stakeholder value index, a higher score indicating satisfaction with CIPC (3)
Definition	The customer and stakeholder value index measure the customer and stakeholder satisfaction and perception of CIPC
Source of data	Stakeholder and customer survey report
Method of calculation/ Assessment	The results will be extracted from the survey report. The calculations will be done as outlined in the proposal.
Means of Verification	The Senior Manager: Strategic Communication will verify the correctness of the report and sign it off.
Assumptions	CIPC services with an option to file electronically compared to services which may only be filed manually (electronically means applications are not captured by CIPC)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	An increase of the score.
Indicator responsibility	The Senior Manager: Strategic Communications takes responsibility for reporting on this measure.

Indicator Title	Number of education and awareness events on IP conducted by CIPC (4)
Definition	Education and awareness events on patent, design, and copyright in film conducted by CIPC
Source of data	Events reports
Method of calculation/ Assessment	Events reports and/or attendance registers indicating the venue, date on which these were held will be assessed, summing up the number held during the reporting period. Workshop reports must be signed and approved by the relevant person.
Means of Verification	<ul style="list-style-type: none"> • The official responsible for the event compiles the report and/or attendance register. • The supervisor of the person compiling the report must sign off the report. • The Strategy, Planning and Monitoring Unit verifies the correctness of the report/evidence. • The Chief Strategy Executive reviews the report/evidence. • The Internal Audit Division audits the report/evidence
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Indicator Title	Number of education and awareness events on IP conducted by CIPC (4)
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Events planned to be conducted.
Indicator responsibility	The Executive Manager: Innovation and Creativity takes overall responsibility for provision of the report on this performance measure and submission of the report.

Indicator Title	Number of education and awareness events on IP enforcement conducted by the CIPC (5)
Definition	Education and awareness events on patent, design, and copyright in film conducted by CIPC
Source of data	Events reports
Method of calculation/ Assessment	Events reports and/or attendance registers indicating the venue, date on which these were held will be assessed, summing up the number held during the reporting period. Workshop reports must be signed and approved by the relevant person.
Means of Verification	The supervisor of the person compiling the report must sign off the report.
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Events planned conducted.
Indicator responsibility	The Executive Manager: Innovation and Creativity takes overall responsibility for provision of the report on this performance measure and submission of the report.

Indicator Title	The average number of days to register a company from the date of receipt of a complete application (6).
Definition	The average number of days it takes to register a company from the date the customer submits a complete application.
Source of data	ERMS/INFORMIX
Method of calculation/ Assessment	Instruct the system to extract total companies registered within the reporting period and produce a report in an Excel spread sheet. The report should include the script used to extract the report and data limitations. The report should cover from the 1st day of the month of the reporting period until the last day of the month of the reporting period. The number of transactions are summarised and the turnaround time is calculated for each transaction – FORMULA = NETWORKING DAYS (CREATE/TRACKING/RECEIVED/RECORDING/LAST TIME PROC DATE*; DISPATCH DATE, excluding holidays and days on which the CIPC is closed such as during December/January).

Indicator Title	The average number of days to register a company from the date of receipt of a complete application (6).
Method of calculation/ Assessment	<p>The average turnaround time is then calculated by adding all the numbers (Turnaround time) and then it is divided by the number of transactions that exists. In other words, the sum divided by the count.</p> <p>Because separate reports are extracted for manual and electronic (including banks) transactions, weighted average is used. To calculate a weighted average, percentages of manual and electronic (including banks) of the total company registration are calculated and the average TAT for manual transactions must first be multiplied by its percentage. This is done similarly for electronic transactions (including banks). All of these new values must then be added together to arrive at the weighted average, which is what will be reported.</p> <p>* Manual - Create/Tracking Date; Banks – last proc date; Electronic - last time proc date.</p>
Means of Verification	<ul style="list-style-type: none"> • The data manager extracts the report. • The Senior Manager: Information Assurance quality checks the reports. • The Senior Manager: Companies and CCs verifies the correctness of the transactions, make calculations and analysis in the report. • The Strategy, Planning and Monitoring Unit verifies the correctness of the report, calculations and analysis. • The Chief Strategy Executive reviews the report, calculations and analysis. • The Internal Audit Division audits the report, calculations and analysis.
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Reduction in the average number of days to register a company from the date of receipt of a complete application.
Indicator responsibility	The Divisional Manager: Enterprise Information Management Assurance takes overall responsibility for producing system reports. The Senior Manager: Companies takes overall responsibility for correctness of the system reports, calculation of performance and analysis and provision of supporting evidence for the performance report.

Indicator Title	The average number of days to register a co-operative from the date of receipt of a complete application (7).
Definition	The average number of days it takes to register a co-operative from the date the customer submits a complete application.
Source of data	ERMS/INFORMIX
Method of calculation/ Assessment	Instruct the system to extract total co-operatives registered within the reporting period and produce a report in an Excel spread sheet. The report should include the script used to extract the report and data limitations. The report should cover from the 1st day of the month of the reporting period until the last day of the month of the reporting period.

Indicator Title	The average number of days to register a company from the date of receipt of a complete application (7).
Method of calculation/ Assessment	The number of transactions are summarised and the turnaround time is calculated for each transaction – FORMULA = NETWORKINGDAYS (RECEIVED DATE/TRACKING DATE, CREATE DATE, excluding holidays and days on which the CIPC is closed such as during December/January). The average number of days is then calculated by adding all the numbers (Turnaround time) and then divided by the number of transactions that exist. In other words, the sum divided by the count.
Means of Verification	<ul style="list-style-type: none"> • The data manager extracts the report. • The Senior Manager: Information Assurance quality checks the reports. • The Senior Manager: Co-operatives verifies the correctness of the transactions, make calculations and analysis of the report. • The Strategy, Planning and Monitoring Unit verifies the correctness of the report, calculations and analysis. • The Chief Strategy Executive reviews the report, calculations and analysis. • The Internal Audit Division audits the report, calculations and analysis
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually as indicated in the performance matrix
Desired performance	Reduction in the number of days it takes to register a co-operative from the date the customer submits a complete application.
Indicator responsibility	<p>The Divisional Manager: Enterprise Information Management Assurance takes overall responsibility for producing the statistics.</p> <p>The Senior Manager: Co-operatives takes overall responsibility for correctness of the system reports, calculation of performance, analysis and provision of supporting evidence for the performance report.</p>

Indicator Title	Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation (8)
Definition	Education and awareness events on the Companies Act and related legislation
Source of data	Events reports
Method of calculation/ Assessment	Events reports and/or attendance registers indicating the venue, date on which these were held will be assessed, summing up the number held during the reporting period. Workshop reports must be signed and approved by the relevant person.

Indicator Title	Number of education and awareness events conducted by the CIPC on the Companies Act and related legislation (8)
Means of Verification	<ul style="list-style-type: none"> • The official responsible for the event compiles the report and/or attendance register. • The supervisor of the person compiling the report must sign off the report. • The Strategy, Planning and Monitoring Unit verifies the correctness of the report/evidence. • The Chief Strategy Executive reviews the report/evidence. • The Internal Audit Division audits the report/evidence.
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Events planned to be conducted.
Indicator responsibility	The Senior Manager: Corporate Education takes overall responsibility for provision of the report on this performance measure and submission of the report to the Strategy and Planning Specialist.



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