National Consumer Commission

National Consumer Commission
Strategic Plan for 2020 -2025

NATIONAL CONSUMER COMMISSION

Abbreviations and commonly used acronyms

CPA	-	Consumer Protection Act No. 68 of 2008
the dtic	-	Department of Trade, Industry and Competition
CGSO	-	Consumer Goods and Services Ombud
DPSA	-	Department of Public Service and Administration
HR	-	Human resource/s
ICT	-	Information and communications technology
MIOSA	-	Motor Industry Ombud of South Africa
NCC/ Commission	-	National Consumer Commission
NRCS	-	National Regulator for Compulsory Specifications
NCT	-	National Consumer Tribunal
PFMA	-	Public Finance Management Act
SABS	-	South African Bureau of Standards

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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 National Consumer Commission (NCC) has prepared its Strategic Plan 2020-2025, which I now submit to Parliament, as required by the legislation.

This is the first Strategic Plan prepared in the 6th Administration by the NCC. 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 RESPONSIBLE FOR TRADE, INDUSTRY AND COMPETITION

Accounting Authority's Statement

I am pleased to present this Strategic Plan of the National Consumer Commission ("the NCC"). This plan provides details the strategic goals that it has committed to.

The NCC was established in terms of section 85 of the CPA and began exercising its mandate with effect from 1 April 2011.

The NCC, has slowly, but surely begun entrenching itself as a key consumer protection regulator in South Africa, within the SADC region and on the African continent as a whole. It has begun to take up consumer issues that have a serious negative impact on a significant number of consumers. Consumer rights relative to the expiry of data coupled with the forfeiture of unused data is but one example. Another example is that which relates to the timeshare enquiry that the NCC commenced with in the 2017/ 18 financial year. The timeshare enquiry report has been issued in 2018/19 and the recommendations will have to be given effect to in this strategic period. The involvement of the NCC in the recall of unsafe consumer products from the marketplace has been increasing over time. The NCC's work in this area will continue and gain momentum over this strategic period. In pursuance of its mandate to enable consumers to enjoy their right to privacy in relation to direct marketing, the NCC has commenced the planning, establishment and operation of the Opt Out Register (Registry). All in all, despite its limited resources, the NCC intends delivering on these complex tasks, over this strategic period.

The NCC has been consistently enrolling with and arguing matters, on behalf of consumers, at the National Consumer Tribunal (NCT). Thus far, it has received mainly favourable outcomes in such matters disposed of at the NCT. In the process, precedents are being established and the jurisprudence in relation to consumer protection law is fast developing. The NCC will, in this strategic period, continue in its endeavours to enforce the rights of consumers at the different fora.

In line with the consumer policy of **the dtic** the NCC has to work closely with other key stakeholders to promote the resolution of consumer complaints. Hence, one of its focus areas is its engagement with targeted industries/ sectors on the submission of industry codes and the expansion of alternate dispute resolution schemes in South Africa. The NCC has enjoyed some success in this regard, now that the ombud schemes for the motor industry and the consumer goods and services industry have been accredited by the Minister of Trade, Industry and Competition. The NCC has recommended the accreditation of another two ombud schemes in the 2016/17 year, which are the Franchise Association of South Africa and the Advertising

Standards Authority of South Africa. It is envisaged that other similar schemes will be recommended for accreditation by Minister. The NCC has, over time, been working closely with the provincial consumer protection authorities and other key regulators involved in consumer protection. The NCC chairs the Consumer Protection Forum (CPF). A key project of the CPF over this strategic period is to harmonise consumer protection throughout the Republic. I am very encouraged that the NCC is also involved with consumer protection at the Southern African Development Community (SADC) level, which requires the promotion of consumer protection amongst member states. The NCC plays a key role in the Competition and Consumer Laws and Policies Committee of SADC. The harmonisation of competition and consumer protection laws within the region is a key project that the NCC will be involved in, thus contributing to the government's priority of 'Increase intra Africa Trade'

This Plan is aligned to the South African consumer policy prerogatives as espoused in the CPA. Being a creature of statute, the NCC must focus on its key legislative mandate. The strategic, annual performance and business/operational plans remain highly ambitious in view of the fact that the NCC has very limited resources. However, despite these challenges, I commit to the implementation of this Strategic Plan. I urge the staff of the NCC, our colleagues in each provincial consumer protection authority and the accredited ombuds to also work with the NCC with commitment and zeal. It is of immense importance for the economy of South Africa and for consumers in particular, that little or no room is left for unscrupulous business to operate within the borders of the Republic of South Africa.

Ms Thezi Mabuza
Acting Commissioner

Official Sign Off

It is hereby certified that this strategic plan:

- Was developed by the management of the NCC under the guidance of the Executive Authority;
- Takes into account all the relevant policies, legislation and other mandates for which the NCC is responsible;
- Accurately reflects the impact, strategic outcomes and outputs which the NCC will endeavour to achieve over the period from 1 April 2020 to 31 March 2025.

PP

Mr Anton Van Der Merwe
HOD: Corporate Services and
Chief Financial Officer

31/01/2020
Date

Ms P Moilwa
HOD: Enforcement and Investigations

31/01/2020
Date

Ms P Mlungu
HOD: Advocacy, Education and Awareness

31/01/2020
Date

Mr J Mbeje
HOD: Legal

31/01/2020
Date

Mr N Kuljeeth
Company Secretary

31/01/2020
Date

Ms T Mabuza
Accounting Authority

31/01/2020
Date

Approved by

Mr Ebrahim Patel
Minister of Trade, Industry and Competition

Date

Part A: MANDATE OF THE NCC

1. Constitutional Mandate

Through its legislative mandate and its promotion of fair business practices, the NCC plays a significant role in upholding and preserving the principles enshrined in the Bill of Rights. Specifically, the NCC has a direct impact on the following areas within the Constitution of the Republic of South Africa, **under the Bill of Rights section:**

Section 9: Equality

Through remaining accessible to diverse groupings of consumers, the NCC plays its role in ensuring that parties have the right to equal protection and benefit of the law. Additionally, the NCC strives through its value system to respect human diversity and ensure that no form of discrimination of consumers is tolerated.

Section 10: Human dignity

The NCC ensures that prohibited conduct on the part of suppliers of goods and services, as well as the relevant action thereto, does not impair human dignity.

Section 14: Privacy

The NCC ensures that the privacy of persons is protected.

Section 33: Just administrative action

The NCC ensures it applies the rules of natural justice and issues reasons for its decisions

Schedule 4 of the Constitution

Provides that consumer protection is an area of concurrent jurisdiction between national and provincial governments. This means that both levels of government assume responsibility in so far as consumer protection is concerned.

Section 146 (2) (b) of the Constitution provides that national legislation applies uniformly with regard to the country as a whole and prevails over provincial legislation if, amongst other things, the following conditions are met:

i. The national legislation deals with a matter that cannot be regulated effectively by legislation enacted by the respective provinces individually

ii. The national legislation deals with a matter that, to be dealt with effectively, requires uniformity across the nation, and the national legislation provides that uniformity by establishing:

- Norms and standards
- Frameworks
- National policies

iii. The national legislation is necessary for the:

- Protection of the common market in respect of the mobility of goods, services, capital and labour
- Promotion of economic activities across provincial boundaries
- Promotion of equal opportunity or equal access to government services

The CPA entrenches national consumer protection policy as well as norms and standards.

2. Legislative and policy mandates

Consumer Protection Act 68 of 2008:

The NCC is established in terms of Section 85 of the Consumer Protection Act No. 68 of 2008 (CPA) with jurisdiction throughout the Republic of South Africa.

Reporting by NCC

The NCC reports to the Department of Trade, Industry and Competition (**the dtic**), particularly to the Minister, **the dtic**'s Public Entity Oversight Unit and to its Consumer and Corporate Regulation Division (CCRD).

The CCRD has, as one of its key roles, the creation of *"credible institutions for enforcement and implementation of regulatory instruments"*.

NCC Responsibility in terms of the CPA

The NCC is charged with the responsibility to enforce and carry out the functions assigned to it in terms of the CPA.

Consumer Protection Act Aims

The CPA seeks to promote a fair, accessible and sustainable marketplace for consumer products and services and for that purpose, to establish national norms and standards relating to consumer protection.

It further seeks to provide for improved standards of consumer information, to prohibit certain unfair marketing and business practices, to promote responsible consumer behaviour and to promote a consistent legislative and enforcement framework relating to consumer transactions and agreements.

Disputes between Consumers and Suppliers

The CPA makes it clear that the NCC must promote the resolution of consumer complaints but that it is not responsible for intervening directly therein. This means that the NCC is not expected to be involved in the conciliation or mediation of disputes between consumers and suppliers unless the parties consent to a settlement of the dispute during the course of an investigation.

Access to Redress

Ordinarily, disputes amongst consumers and suppliers, if not resolved amongst themselves, are dealt with by provincial consumer protection authorities and the Ombud schemes accredited by Minister. Increased involvement of provincial consumer protection authorities in the conciliation and mediation of disputes between consumers and suppliers have been promoted and encouraged by the NCC and **the dtic.**

The main functions of the NCC, insofar as consumer complaints are concerned, are to:

- Promote the resolution of disputes between consumers and suppliers;
- Promote compliance with the CPA through advocacy, education and awareness;
- Conduct investigations against suppliers allegedly engaging in prohibited conduct; and to
- Prosecute suppliers who have contravened the CPA.

3. Institutional Policies and Strategies over the five-year planning period

For this current administration, government has set seven national priorities listed below:

1. Economic Transformation and Job Creation
2. Education, Skills and Health
3. Consolidating the Social Wage through Reliable and Quality Basic Services
4. Spatial Integration, Human Settlements and Local Government
5. Social Cohesion and Safe Communities
6. A Capable, Ethical and Developmental State
7. A better Africa and World Create a better South Africa and contribute to a better and safer Africa and World.

The NCC as an organ of state, has through its alignment with the **dtic's** key priorities, also aligned to Government's key national priorities as espoused in the government's overall mandate to the people of South Africa. The NCC's work as per its legislative mandate contributes to priorities 1 and 7.

The most important policies and strategies that the NCC plans to continue or initiate in the five year planning period are to promote:

1. Accessible consumer protection by monitoring alternate dispute resolution schemes accredited by Minister for functionality and efficiency and creating awareness on the rights and obligations amongst consumers and suppliers.
2. A fair marketplace by conducting investigations into the conduct of suppliers of goods and services which conduct is in contravention of the CPA and prosecuting (at the National Consumer Tribunal) those suppliers who have been found to be in breach of the CPA;
3. The supply of Safe Goods to consumers by administering and recalling unsafe, failed, defective or hazardous goods

4. Decisions of the Courts

The NCC continually reviews key decisions of the National Consumer Tribunal, High Courts and Constitutional Court. It evaluates the potential impact of these decisions on its mandate and functions. The impact is considered during planning processes.

In line with its strategic plan, the NCC continuously assesses the need for and submits recommendations to Minister for the accreditation of industry codes. As part of its monitoring function, the NCC constantly analyses the recommendations/ decisions of accredited alternative dispute resolution (ADR) schemes with a view to determining trends and emerging concerns for both consumers and business. These schemes are a critical part of creating and expanding the dispute resolution platform for dealing with disputes between consumers and suppliers.

The Financial Sector Conduct Authority, in line with the Financial Sector Regulation Act, is now responsible for protecting customers of financial services firms and improving the way financial service providers conduct their business. The business practices of banks, long term and short term insurers are no longer regulated by the CPA. However, it must be understood that the CPA is the current yardstick for the protection afforded to consumers in general, whichever sector consumers transact in. The NCC remains supportive of regulators seeking to protect consumers provided that these regulators are enabled to provide an equivalent or better protection to consumers than that which is contained in the CPA. This is intrinsic to the CPA and consumer protection policy.

Part B: Our Strategic Focus

5. Vision

The NCC's Vision is to be:

"That national consumer protection regulatory authority that is proactive and responsive to ensuring effective Consumer Protection"

6. Mission

The Mission of the NCC is to be:

That institution which

- Tackles unfair business practices
- Promotes compliance
- Ensures redress

by Enforcing the Law through

- Advocacy
- Prosecutions
- Investigations
- Co-ordinating efforts with other institutions

and at all times

- Continuously educate consumers
- Continuously educate ourselves through relevant research
- Being seen to be fair

7. Values

The NCC believes in and is committed to the following values:

- Professionalism
- Integrity
- Ethical
- Moral Standards
- Honesty
- Truthfulness
- Transparency
- Credibility
- Trusted
- Consistent
- Accountability
- Teamwork

8. Situational Analysis

8.1 Updated Situational Analysis

The NCC is the primary regulator of consumer business interaction in South Africa, established by **the dtic** and, in line with the Consumer Protection Act (CPA), Act 68 of 2008.

The NCC is driven by its Legislative and other mandates.

The Situational Analysis has been conducted through a SWOT Analysis, the results of which are presented below:

STRENGTHS	WEAKNESSES
1. Expertise and Skills	1. Capacity (People)
2. Legislative Mandate	2. IT Support
3. Experience	3. Resources (Finances)
4. Good Working Relationships	4. Role Clarification
5. Credibility	5. Technical Skills
OPPORTUNITIES	**THREATS**
1. Collaboration (with other regulators)	1. Safety and Security of Personnel
2. Internal Development	2. Undue Political Interference
3. Use of ICT	3. None Compliance by Suppliers
4. Capacity Building	4. Failure to Investigate and Prosecute
5. Can Influence Legislative Changes	5. Lack of Co-operation from Industry Players

8.2 External Environment Analysis

Consumer protection is an integral part of a modern, efficient, effective and just market place. Confident consumers are one of the important drivers of competitiveness. By demanding competitive prices, improved product quality and better service, consumers provide an impetus for innovation and enhanced performance by business. The CPA is a critical part of **the dtic**'s overall strategy to improve the competitiveness of business in South Africa.

In implementing the revised consumer protection framework, **the dtic**'s intention was to create an environment where a culture of consumer rights and responsibilities prevail. Such an environment is not only beneficial to consumers but to business as well. The enforcement of the CPA assists in regulating the conduct of suppliers of goods and or services to consumers. If business conduct is left unchecked,

unethical and unscrupulous suppliers will merely serve to hinder the creation of a fair, competitive and equitable environment for all. Prior to the enactment of the CPA, South Africa lagged behind other international jurisdictions in protecting its consumers. The global and domestic trading environment has changed significantly over time. Markets have opened up and there has been a significant increase in the movement of people, goods and services across borders. The incidence of scams and unfair practices, on the other hand, has become more sophisticated.

i. The need to enforce the CPA is critical to:

- establishing a legal framework for the achievement of a fair, accessible, responsible and sustainable market;
- reducing any disadvantages experienced in accessing the supply of goods and services by low income, low literacy, rural and vulnerable consumers;
- Promoting fair business practices;
- Protecting consumers from unfair and deceptive conduct;
- Improving consumer awareness; and
- Providing for an accessible, efficient and effective system of redress;

ii. The CPA applies to:

- Suppliers (for profit or non-profit) that promote or supply goods or services to consumers across all sectors of the economy, unless exempted;
- Government institutions or any entity contracted by the state to provide goods or services to consumers;
- Franchise offers, solicitations and agreements; and to
- Any business to business transaction subject to a stipulated two-million-rand turnover per annum threshold.

Consumer Protection is a concurrent functional area of national and provincial legislative competence. Provincial consumer protection authorities exist in all provinces. Provincial consumer courts have jurisdiction over complaints of unfair business practices in terms of their respective legislation. A consumer court can order appropriate redress to a consumer in terms of a provincial legislation which created it. The NCC has been in continuous discussions with provincial consumer

protection authorities to effectively deal with consumer/ supplier disputes that arise in their respective provinces and to ensure that their consumer courts are fully functional. Strategies to implement decisions taken during discussions with all provinces are underway.

Prior to placing reliance on provincial consumer protection authorities to ensure redress for consumers, the Minister of Trade, Industry and Competition accredited the Motor Industry Ombud (MIOSA) and the Consumer Goods and Services Ombud (CGSO) as the Alternate Dispute Resolution agents. Following the accreditations, all consumer complaints related to the motor industry and to the fast moving consumer goods industries are now mainly dealt with by the MIOSA and CGSO. Complainants are encouraged to refer their complaints directly to these ombuds. The NCC and the accredited ombuds have developed mechanisms and or entered into arrangements in relation to the reporting of performance and utilization of resources. The NCC will continue to monitor the effectiveness of these accredited schemes.

The demand for investigating conduct suppliers alleged to be contravening the CPA is increasing. The NCC is unable to investigate every consumer complaint. This is neither possible nor feasible given the resources at its disposal. Instead, the NCC will continue to focus on the investigation of mainly systemic unfair conduct, based on criteria that are in line with its enforcement strategy. Investigations will be conducted so as to promote market integrity and transparency by addressing unethical or unscrupulous conduct and promoting better disclosure of information. Apart from the enforcement criteria, investigations and or other regulatory interventions by the NCC, are informed by research and complaints trend analysis. The NCC intends increasing its access to consumer complaints databases in order to obtain better and more reliable trends analysis. This approach is in line with international practice (of like regulators).

Consumer safety will invariably be promoted so as to ensure that consumers are supplied with not only reliable goods and services but also goods that are safe for consumer health and life as well as for the environment. In order to promote the supply of safe consumer goods and services, the NCC will continue working closely with, amongst others, regulators, South African Revenue Services

(SARS), the National Regulator for Compulsory Specifications (NRCS); South African Bureau of Standards (SABS), the Department of Agriculture, Forestry and Fisheries and the Department of Health. The facilitation and monitoring of recalls of unsafe products is a critical function of the NCC. In the absence of its own product testing facilities, coupled with the lack of financial resources that are normally associated with product tests, the NCC will continue to rely on entities like NRCS and SABS. The scanning of reported product recalls by regulators in other jurisdictions has been factored in.

It is still evident that the vast majority of consumers do not lodge complaints. Consumers who are unaware of their rights as consumers, will not complain. The genuine need to increase awareness of consumers' rights remain. It is also evident, that whilst suppliers are aware of their obligations in terms of the CPA, this is not the case for all suppliers. A greater need exists for small and medium enterprises to be made aware of their obligations. The NCC intends to continue encouraging suppliers to comply with the consumer protection legislative framework. Awareness does lead to increased compliance. To this end, awareness initiatives for both consumers and suppliers are intrinsic to the NCC's enforcement function.

Following the receipt of a qualified audit in the 2012-13 financial year, the NCC subsequently focused on implementing compliance related processes so as to enable it to comply with the PFMA, Treasury Regulations and directives. This resulted in the NCC receiving unqualified audit opinions for the 2013-14; 2014-15; 2015-16; 2016-17, 2018-19 financial years and a clean audit for the 2017/18 financial year. The compliance burden on the NCC has been increasing. This impacts on all officials and on the NCC's efficacy to deal with its core mandate.

The NCC had changed its strategy in the 2012/13 financial year and further revised it in 2015/16, then in 2017/18 and finally in 2019 to be in line with its legislative mandate. This document is therefore reflective of the NCC's revised strategy in line with recommendations made by the Executive Authority.

8.3 Internal Environment Analysis

The NCC is an organ of state and is a Schedule 3A entity in terms of the PFMA. The entity is established by section 85 of the CPA.

In terms of section 87 of the CPA, the Commissioner of the NCC is responsible for all matters pertaining to the functions of the NCC and is required to hold office for an agreed term, not exceeding five years. Provision is however made for reappointment on expiry of an agreed term of office.

The Commissioner is the accounting authority for the NCC, duly assisted by the Deputy Commissioner and as such, is responsible for all income and expenditure of the NCC; revenue collected by the NCC; assets and the discharge of all liabilities of the NCC; as well as the proper and diligent implementation of the PFMA in relation to the NCC. Thus, Parliament, the Executive Authority and the Commissioner are responsible for corporate governance.

The Commissioner has, as permitted, assigned management and or other duties to employees with appropriate skills to assist the NCC in the management, or control over the functioning of the entity by way of written and approved delegations of authority. Certain powers or functions have been duly delegated to suitably qualified employees of the NCC. However, such delegation does not divest the Commissioner of responsibility for the exercise of any power or performance of any duty.

The Minister has designated a Deputy Commissioner to assist the Commissioner and to perform the functions of the NCC whenever the Commissioner is unable, for any reason, to perform the functions of the Commissioner; or when the position of the Commissioner is vacant. The Minister of Trade and Industry, in consultation with the Minister of Finance, determines the Commissioner's and Deputy Commissioner's remuneration, allowances, benefits and other terms and conditions of employment.

Parliament, through the Portfolio Committee on Trade and Industry (Portfolio Committee), exercises its oversight role through evaluating the performance of the NCC by interrogating its strategic and annual performance plans, quarterly reports, annual financial statements and performance information and other relevant documents which have to be tabled in Parliament from time to time.

Oversight by the Executive Authority rests by and large on the prescripts of the PFMA. The PFMA grants authority to the Executive Authority for the exercise of its oversight powers.

The Executive Authority, annually, also enters into a Shareholders Compact with the NCC and a performance agreement with the Commissioner. A Compliance Schedule is included as part of the Shareholders Compact indicating the deliverables and due dates of all documents as stipulated in the PFMA, Treasury Regulations and the Shareholders Compact. Compliance is reported on a quarterly and annual basis, whereas management accounts are required to be submitted monthly. Reports are also provided from time to time on matters of significance.

The NCC currently has 85 funded full-time positions. A skills audit has been conducted at the NCC. It is apparent that a major skills shortage does exist within the entity. An appropriate skills upgrade programme is underway under the guidance of an internal Skills Development Committee.

Insofar as trade union activity is concerned, the NCC has entered into a recognition agreement with NEHAWU. As it stands, the NCC has adopted the salary scales, benefits and increments as determined by the Minister of the Department of Public Service and Administration. This does not imply that the NCC is not a Schedule 3A entity, in terms of the PFMA.

The process embarked upon by the Executive Authority, of facilitating the establishment of bargaining chambers for its entities, is close to finalisation. Once these chambers are in operation, the NCC will bargain on salary increments and benefits. NCC officials are members of the GEPF. NCC officials are prevented by the Government Employees Medical Scheme (GEMS) from participating in GEMS. However, the usual benefits applicable to employees as negotiated at the PSCBC in relation to employees on levels 1-12 are, wherever possible, is also granted to NCC employees on these levels.

Corporate governance at the NCC embodies processes and systems by which public entities are generally directed, controlled and held to account. In addition to legislative requirements based on the CPA, corporate governance is applied through the precepts of the PFMA and run in tandem with the principles contained in the King Reports on Corporate Governance.

In line with the requirements of the PFMA, the NCC has an Audit and Risk Committee. The membership thereof is made up of independent persons. The said Committee also provides for one ex-officio member to serve thereon at the behest of the Executive Authority.

Risk management is integral to corporate governance at the NCC. A risk strategy is implemented and revised from time to time. A risk register is in place and monitored regularly and reported on at Audit and Risk Committee meetings. Internal audit and risk management committees were also established and are functional.

Internal audit assists the Accounting Authority in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement. The NCC has outsourced the internal audit function. Internal audit, in consultation with and the approval of the Audit and Risk Committee, ordinarily prepares and submits –

a) a rolling three-year strategic internal audit plan based on its assessment of key areas of risk for the institution, having regard to its current operations, those proposed in its strategic plan and its risk management strategy;
b) an annual internal audit plan for the first year of the rolling three-year strategic internal audit plan;
c) plans indicating the proposed scope of each audit in the annual internal audit plan; and
d) reports to the Audit and Risk Committee detailing its performance against the annual internal audit plan, to allow effective monitoring and possible intervention.

Internal Audit reports administratively to the Accounting Authority and functionally to the Audit and Risk Committee. The function is independent of activities that are audited, with no limitation on its access to information or to parties within the NCC or any of NCC's stakeholders.

The NCC has approved a Fraud Prevention Plan (Plan) which is regularly canvassed with NCC officials. Thus far, no acts of fraud have been reported to have occurred over the last six years. In terms of the Plan, mechanisms are in place to report fraud and corruption. In order to promote fraud prevention, a whistleblowing policy is in place which makes provision for officials to make confidential disclosure about suspected fraud and corruption.

PART C: MEASURING OUR PERFORMANCE

9 INSTITUTIONAL PERFORMANCE INFORMATION

9.1 Measuring the Impact

Impact Statement	Accessible, fair, safe and sustainable markets for consumers of goods and services

Strategic Objectives and Goal Oriented Outcomes

The NCC's strategy, driven by the Vision and Mission (purpose), will be achieved through three (3) measurable strategic objectives. the manner in which each strategic objective is achieved is determined by specific goals/outcomes.

There are seven (7) measureable goals/outcomes which link to the strategic objectives.

9.2 Measuring Outcomes

OBJECTIVE	OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE YEAR TARGET
Accessible and coherent consumer protection system	Increase in the percentage of complaints resolved at conciliation and mediation levels	1.Decrease in percentage of complaints being lodged with the NCC	3747 complaints received by NCC	A reduction in the percentage of complaints received by NCC by 50%
		2. Increase in the percentage of complaints resolved by accredited ombuds	8 261 complaints Received by CGSO 8502 complaints received by MIOSA	Increase in the percentage of complaints lodged with accredited ombuds by 30%
		3. Increase in the number of ombud schemes recommended for accreditation	2	4

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

Accessible and coherent consumer protection system

The plan is to ensure that there is a more accessible and coherent consumer protection system.

Ensuring access to redress for consumers is an important aim of the CPA and represents a core mandate of the NCC. The CPA only permits the NCC to investigate complaints but not to conciliate or mediate between consumers and suppliers, unless suppliers offer to settle a matter in the course of an investigation.

The policy espoused by the CPA is that consumers should first attempt to resolve disputes directly with suppliers. Where an amicable resolution is not reached between a consumer and a supplier, then in terms of the CPA, consumers should approach alternate dispute resolution agents. Alternative dispute resolution agents include ombuds accredited by Minister and provincial consumer authorities. The NCC has no control over provincial consumer protection authorities but does exercise a monitoring function over the efficacy of the ombuds.

As it stands, contrary to the provisions of the CPA, consumers often approach the NCC prior to attempting conciliation and or mediation. In fact, consumers should ordinarily access the NCC after exhausting conciliation or mediation and where only where their complaint does not fall within the jurisdiction of a provincial consumer protection authorities. The current status quo, insofar as complaints handling is concerned is not fully accessible nor coherent and consumers do not get equal access to consumer protection services throughout the country.

In order to achieve this objective, the NCC's plan is to decrease the number of complaints it receives and at the same time ensure that more consumers approach their provincial consumer protection authorities and the accredited ombuds in the event they are unable to settle matters directly with suppliers. This will entail effective awareness programmes, improved efficiencies at the existing ombuds and encouraging industries or sectors to establish additional ombud schemes.

10 Key Risks

Strategic Risks		
Outcomes	**Key Risk**	**Risk Mitigation**
To promote accessible Consumer Protection	1. Unstable ICT systems	1.1. Procurement of ICT infrastructure 1.2. Implementation of DRP 1.3. Implementation of a case management system
	2. Ineffective channels of communication	2.1 Use of technology (website) in sharing information with consumers and suppliers 2.1 Implementation of social media strategy
To promote a fair marketplace	1. Lack of agility to adapt to changing unfair market practices	3.1 Continuous skills development of staff 3.2 Sourcing of services of experts specializing in particular business conduct

11 Public Entities

Name of Public Entity	Mandate	Outcomes	Current Annual Budget
National Consumer Commission	As stipulated in the CPA	As listed under item 5 of the Annual Performance Plan	**R 60,192, 000**