





Abbreviations

AA	Accounting Authority
ACFTA	African Continental Free Trade Area
ADRA	Alternative Dispute Resolution Agent
AGSA	Auditor-General of South Africa
ARMC	Audit and Risk Management Committee
AVE	Advertising Value Equivalence
BBBEE	Broad-Based Black Economic Empowerment
BCM	Business Continuity Management
BCP	Business Continuity Planning
CBA	Credit Bureau Association
CBDA	Cooperative Banks Development Agency
CBM	Credit Bureau Monitor
CCMR	Consumer Credit Market Report
CCI	Consumer Credit Index
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIF	Credit Industry Forum
CIPC	Companies and Intellectual Property Commission
COO	Chief Operations Officer
COTII	Council of Trade and Industry Institutions
COVID-19	Novel Coronavirus
dtic	Department of Trade, Industry and Competition
DPSA	Department of Public Service and Administration
EE	Employment Equity
EXCO	Executive Committee
FIC	Financial Intelligence Centre

FSCA	Financial Sector Conduct Authority
GDP	Gross Domestic Product
ICCR	International Committee on Credit Reporting
ICT	Information Communication and Technology
MFSA	Microfinance South Africa
MTSF	Medium Term Strategic Framework
MoU	Memorandum of Understanding
NCA	National Credit Act
NCAA	National Credit Amendment Act
NCC	National Consumer Commission
NCR	National Credit Regulator
NCT	National Consumer Tribunal
NDP	National Development Plan
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
PA	Prudential Authority
PDA	Payment Distribution Agent
PFMA	Public Finance Management Act
SACCRA	South African Credit and Risk Reporting Association
SAPS	South African Police Service
SARB	South African Reserve Bank
SADC	Southern African Development Community
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Enterprises
SMME	Small, Medium and Micro Enterprises

SMS	Short Message Service
UIF	Unemployment Insurance Fund
WHO	World Health Organisation
4IR	Fourth Industrial Revolution

Definitions used to measure performance

Effective	Successful in producing a desired or intended result
Enhance	Improve the quality of performance
Support	To give assistance
Facilitate	To make an action or process easier

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Executive Authority Statement

*This Annual Performance Plan of the **National Credit Regulator** has been prepared by the management for consideration by the Executive Authority and tabling in Parliament. The Annual Performance Plans (APP) of public entities identify the outputs, output indicators and targets that an entity aims to achieve in the new financial year. The Executive Authority is responsible to ensure the APP is aligned with the Strategic Plan, the institution's mandate and government's priorities and to provide direction on the development and implementation of strategic priorities and policies.*

EBRAHIM PATEL

MINISTER OF TRADE, INDUSTRY AND COMPETITION

The Covid-19 pandemic changed the landscape within which DTIC-entities operate and they are therefore expected to adjust their operations to address the new environment and new priorities. There is an urgent need to boost levels of economic growth and economic recovery, support transformation and build a capable state.

In particular, the APP for the 2021/22 financial year will need to reflect the policy priorities set out in Budget Vote statements tabled in Parliament during this Administration and those that arise from:

- The Economic Recovery and Reconstruction Plan tabled in Parliament in October 2020 by President Ramaphosa.
- The priorities set out in the 2021 State of the Nation Address
- The new performance compacts between members of the Executive and the Presidency signed in November 2020; and the
- New District Development Model as an integration of development efforts at local level.

This APP is tabled and updates to the Plan – when these are effected – will be tabled in Parliament in due course, taking account of the above.

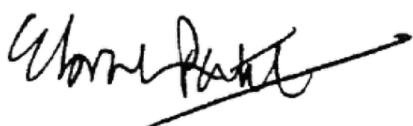
As the practical means to ensure alignment between APPs and policy priorities, the Annual Performance Plan for the DTIC itself has sets out the requirement to ensure integration between the work of the department and all public entities that report to it. Seven new Joint-Indicators (J-KPIs) have been developed for the DTIC that contain the major policy priorities and these are expected to be included in the work of the Regulator, with progress against these to be reported to the Ministry on a quarterly basis.

The NCR will be expected to show how, within its legal mandate, it has contributed to the achievement of the outcomes for the following seven Joint Indicators (details of which are contained in more detail in the APP of the department itself):

- Joint Indicator 1: Integrated Support to Drive Industrialisation
- Joint Indicator 2: Contribution to the development of an AfCFTA Export Plan
- Joint Indicator 3: Investment Facilitation and Growth
- Joint Indicator 4: Development Model and Spatial Equity
- Joint Indicator 5: Actions to Promote Transformation
- Joint Indicator 6: The Green Economy and Greening the Economy
- Joint Indicator 7: Strengthening and Building a Capable State

In this way, the combined efforts of all public entities will begin to be aligned to the national priorities in a more explicit manner. The Joint-Indicators cover, among others, the work of sector masterplans, initiatives to boost levels of investment and localisation in the economy, expanding trade within the continent, enabling better local economic development, supporting the growth of new industries (in the green economy and through beneficiation) and building a capable state. In respect of Joint-Indicator 7 for example, all public entities will be required to review their procedures, timeframes for delivery, forms to be filled in and public communication of services to simplify these, make processes expeditious where possible, remove unnecessary red-tape where these exist and make it easier for users to access services.

This APP is therefore not about many new objectives but rather on a new way of implementation, with the focus on integration, to enhance the development impact of the work. I therefore endorse the work to align the APP of the Regulator with the national priorities and accordingly table the APP for the Regulator in accordance with the request by the Speaker.



EBRAHIM PATEL
MINISTER OF TRADE, INDUSTRY AND COMPETITION

Date: 31 March 2021



Ms Nomsa Motshegare
Chief Executive Officer
National Credit Regulator

Accounting Officer Statement

OVERVIEW OF THE NCR AND ITS VISION

The NCR's mandate entails promoting a fair and non-discriminatory marketplace for access to consumer credit, promoting responsible credit granting and the prohibition of reckless credit granting as well as protecting consumers through enforcement of the National Credit Act (No. 34 of 2005).

The NCR is driven by the imperatives of advancing the social and economic welfare of South Africans, and advancing black economic empowerment and ownership within the consumer credit industry.

Going forward NCR will have to find new ways of delivering its mandate on the back of the COVID-19 pandemic.

Overall focus during the previous planning period

The strategic focus areas for the previous planning period included:

- Education and awareness campaigns on deceptive and unfair practices, and consumer rights;
- Monitoring and enforcement programmes in particular in relation to the new registrants. The National Credit Amendment Act and its Regulations make provision for all credit providers to be registered with the NCR and the threshold was reduced to R1,00;
- Monitoring and enforcement programmes in relation to collection and sale of prescribed debts and credit providers to be encouraged to refrain from doing this;
- Monitoring compliance with the Affordability Assessment Regulations;
- Monitoring compliance with the Regulations regarding the cost of credit and credit life insurance; and

- Improved publication on the work undertaken by the NCR and its success stories.
- Preparation for the implementation of Debt Intervention in terms of the National Credit Amendment Act 7 of the 2019.

These focus areas were aligned to the strategic objectives and core themes of the dtic. Measurable performance indicators as well as an analysis of external and internal factors that could affect the ability to achieve our goals were clearly identified. Strategic risks, as well as possible mitigating controls were also identified

Key accomplishments during previous planning period

Key accomplishments during the 2019/20 financial year include the following:

- **Good corporate governance:** As a result of the prudent financial management and corporate governance practiced, the NCR achieved a clean audit for the 2019/20 financial year (and also for 2014/15, 2015/16, 2017/18 and 2018/19). We submitted the Three-year Annual Performance Plan for 2020/21 – 2022/23, the Five-year Strategy Plan for 2020/21 – 2024/25 and the Annual Report 2019/20 in line with Parliamentary timelines. These clean audits were coupled with achievements/activities that made a positive impact in the credit industry.
- **Consumer education and community outreach:** The NCR conducted a total of **620** educational activities. These activities comprised workshops, exhibitions/outside broadcasts (OBs), industrial theatre, mall activations, meetings, media interviews, imbizos (community outreach programmes) conducted in rural areas in partnership with local tribal authorities, local municipal authorities and the provincial consumer protection offices. From the **620** educational activities, **120** activities were focused on creating awareness on misleading and deceptive practices in the credit industry to protect consumers from abuse and unfair practices, address over-indebtedness and promote consumer rights. A total of 60 stakeholder engagements, **428** radio interviews and **47** TV interviews were held.

A total of **28** high schools and tertiary institutions benefited from the NCR and CBA Schools Financial Literacy programme in 2019/20. These are in Gauteng, KwaZulu-Natal and Western Cape Provinces. The main topics discussed included the role of the NCR, over-indebtedness, access to credit, cost of credit and credit information. The programme was delivered in an industrial theatre format.

- **Collaboration and co-operation:**
 - **COTII**

The NCR participated in quarterly cluster meetings of the Council of Trade and Industry Institutions (COTII). These meetings facilitate information sharing and the pooling of resources to work together as regulators.

- **ICT Project**

The NCR and NCT are in the process of developing an ICT system, in preparation for the implementation of the National Credit Amendment Act (NCAA) relating to Debt Intervention. This involves developing applications software for the NCR, which will enable business processes for processing consumer applications in line with NCAA. The procurement process to acquire servers, memory, storage and network infrastructure, which will host the applications software, is in progress.

South African Credit and Risk Reporting Association (SACCRA) and Credit Bureau Association (CBA):

The NCR is working closely in partnership with SACRRA and the CBA to implement regulation 19(13). This regulation requires credit providers to submit and update credit information in the manner prescribed by the NCR.

The NCR, working with SACRRA and the CBA, developed a shortened version of the data submission layout, which must be used to submit credit information. The NCR also prescribed the Data Transmission Hub, co-owned by SACRAA and CBA, as the channel through which information must be submitted and updated as required by regulation 19(13).

The Hub has been in existence in the credit industry for many years, and is an instrument through the credit industry drove credit information reporting and data sharing. The NCR considered it prudent and cost-effective to prescribe this instrument as it was already in use by wide-ranging participants in the credit market, and general financial services industry. It would have counter-productive and costly to both the NCR and the credit industry to come up with a new instrument

- **The National Register of credit agreements**

This register will contain information of all credit agreements in the country and is expected to become a useful tool in understanding, monitoring and measuring the credit landscape.

- **International co-operation:**

African Dialogue on Consumer Protection: The NCR is a member of the African Dialogue on Consumer Protection, facilitated by the Federal Trade Commission of the United States, to enable consumer protection regulators on the African continent to collaborate, share information and developing trends in their regulated markets. The NCR made a presentation to a webinar of the African Dialogue in July 2019 on disclosures and transparency in the South African credit market. The NCR also shared its consumer education awareness material for the 2019 festive season with the African Dialogue.

- **International Committee on Credit Reporting (ICCR):** The NCR is a member of the ICCR, a global standard setting body for credit reporting. The ICCR meets regularly in different countries. The NCR is collaborating with the ICCR and the World Bank on the use of alternative data and automation in credit reporting.
- **Enforcement:** The NCR defended and continues to defend the rights of consumers in various court cases. There were notable judgements (two of which set precedents) that were handed down in favour of the NCR by either the NCT or the Courts:
 - **NCR vs Standard Bank:** This matter was previously referred to the High Court by the NCR and it relates to the application of the common law set-off on credit agreements subject to the NCA. The Court handed down judgment in favour of the NCR, with costs in this period. The court found that, in the context of credit agreements, there can only be a set-off where a consumer has given written authorisation. The common law set-off is applied when two persons owe each other and the debts are extinguished by setting them off against each other. The banks apply this by transferring funds deposited into consumers' accounts to settle debts on credit agreements without the consumers' authorisation. Banks are now required to obtain permission from consumers before transferring funds from consumers' accounts to pay amounts due under credit agreements.
 - **Aristoscan (trading as JMK Cash Loans) vs NCR:** The NCT found JMK Cash Loans guilty of various NCA contraventions. Amongst these contraventions was the use of child support and foster care social grants as consumer income in the calculation of affordability assessments. It further stated that child support and foster care social grants are to be used solely for the benefit of the child or dependents in question. Such grants may not be regarded as being a consumer's income. The case set an important precedence and impacts on the way affordability assessments must be conducted.

- **Referrals:** The NCR referred various companies to the NCT. A total of **64** matters were referred to the National Consumer Tribunal (NCT). The fines imposed by the NCT on all matters referred by the NCR for the 2019/20 financial year amount to **R5.69 million** in total.
- **Raids:** The NCR together with the South African Police Service (SAPS) conducted raids on small credit providers that illegally retain consumers' identity documents and other cards. The raids were conducted in **7** Provinces. A total of **2 601** personal items of consumers were recovered and **10** criminal cases opened.
- **Registration:** The NCR focused on registering small credit providers (micro lenders). The NCR went to communities to encourage micro lenders to register in the Provinces of Gauteng, Eastern Cape and Mpumalanga. These outreach programmes has resulted in a substantial increase in the registration of previously unregistered credit providers. Additional **1416** new credit providers were registered with the NCR in 2019/20 financial year. These additional registrations created small businesses, generating employment opportunities.
- **Service delivery:** The new call centre management system went live during 2019/20 and improved not only the efficiency of the call centre, but service delivery to consumers. Enhanced features include amongst others automated call distribution, call monitoring and real time and historical reporting. These new features resulted in increased customer satisfaction as, for example, calls are routed directly to an agent instead of multiple transfers, this allows ease of access to the NCR, improves call quality and helps gain the consumers trust. The monitoring and reporting enhancement makes it possible to identify training needs in order to continuously improve service delivery.
- **Statistics and research:** The NCR collated, analysed and disseminated data about consumer credit information submitted by credit providers and credit bureaus through statutory returns. We published our flagship reports namely the Consumer Credit Market Report (CCMR) and Credit Bureau Monitor (CBM) quarterly throughout 2019/20. The reports were used and quoted extensively by a variety of stakeholders, including media, government, industry analysts, investors, researchers and other decision-makers. The statistical information assists the NCR in monitoring trends and developments in the consumer credit industry.
- **Consumer redress:** As a result of NCR intervention through compliance monitoring, complaints evaluation and enforcement, **approximately R200 million** refunded to consumers/account adjustments/debt written off.

- **Communication and media:** In the 2019/20 financial year, the NCR achieved media coverage worth about R202.9 million in calculated advertising value equivalence (AVE) rates. We publicised important developments, issued alerts and provided crucial advice to consumers. We ensured that enforcement is visible as this can serve as a deterrent and create consumer awareness. While NCRs media releases provided prudent advice to consumers on, amongst others, card retention by unscrupulous credit providers and to avoid panic buying in response to the COVID-19 pandemic, they ensured that consumers and the industry alike were kept well-informed of its enforcement action. Examples of media releases:
 - Volkswagen Financial Services South Africa (Pty) Ltd unlawful “on the road” fees;
 - Aristoscan cc. guilty of reckless lending as support and foster care grants cannot be used as consumer’s income to apply for credit;
 - Asia Lamara’s registration as a debt counsellor cancelled due to serious contraventions of the NCA;
 - Shoprite granted credit recklessly to consumers
 - High Court rules in favour of the NCR against Standard Bank that set-off does not apply to credit agreements subject to the National Credit Act

Strategic focus for the period ahead

In planning for the period ahead, the NCR will align its activities with The Economic Reconstruction and Recovery Plan that was announced by the President in October 2020, priorities set out in the 2021 State of the Nation Address, and the new District Development Model.

The core elements of the Economic Reconstruction and Recovery Plan include priority intervention for economic recovery, enabling conditions for growth, macroeconomic framework and institutional arrangements. In his fifth State of the Nation Address in February 2021, the President’s priorities included implementation of economic reforms to create sustainable jobs and drive inclusive growth.

The appropriate intervention for the NCR will be in the area of employment stimulus for job creation and support to livelihoods. Focus on employment will encourage enhanced inclusive growth and thereby reduce poverty.

The main purpose of the National Credit Act 34 of 2005 (“the Act”) is “*to promote a fair and non-discriminatory marketplace for access to consumer credit*” The Act provides for the promotion and advancement of the social and economic welfare of South Africans.

In achieving the above, the NCR has implemented and is in the process of implementing the following Institutional Programmes, Joint Key Performance Indicators; and projects in collaboration with other key stakeholders in the credit industry:

Institutional Programme Performance Information

Improved Regulatory Environment

The purpose of this programme is to promote economic growth through job creation, integration and transformation.

This will entail carrying out consumer education and awareness campaigns and activities in order to improve consumer protection. In addition, efficiency in registration of persons and entities will be improved through quick turnaround times to facilitate job opportunities.

Enforcement of the NCA

The purpose of this programme is to ensure that enforcement action is taken on contraventions of the Act.

Monitoring and enforcement: The NCR will deploy various tools to monitor and enforce the NCA with special focus on the protection of those consumers who are regarded as the most vulnerable.

This will be implemented through conducting investigations, raids, compliance monitoring, receiving and resolving complaints regarding alleged contraventions of the NCA and taking enforcement action where applicable.

Emphasis will be on total cost of credit, reckless lending, compliance of credit bureaus in terms of data security, removal of adverse consumer credit information and paid-up judgements.

The NCR will also support the Economic Recovery Plan, 2020, and the seven new joint indicators, which are the implementation plans aligned to the NDP.

The NCR's objectives are set out in the National Credit Act. As an adjudicative body it can determine the outcomes of these objectives by aligning its adjudication to meet the objectives of the NDP and the Dtic. The seven new joint indicators are:

- Joint indicator 1: Integrated support to drive industrialization;
- Joint indicator 2: Contribution to the development of an AfCFTA Export Plan;
- Joint Indicator 3: investment facilitation and growth;

- Joint Indicator 4: Development model spatial equity;
- Joint Indicator 5: to promote transformation;
- Joint Indicator 6: The Green Economy and Greening the Economy; and
- Joint Indicator 7: Strengthening and Building a Capable State.

The performance progress with regards to all seven new joint indicators will be reported quarterly to the dtic.

Projects: Collaboration and cooperation

- **MOUs with other regulators:**

The NCR will continue to scan the environment and engage with local and international regulators to further understand the trends and developments in the credit industry. Formal MoUs have been signed with most of the local regulators. Other MoUs will be entered into with other key stakeholders.

- **Credit Industry Forum:**

Established by the NCR, the CIF will continue to meet quarterly. The CIF comprises credit industry associations (for credit providers, credit bureaus, debt counsellors and payment distribution agencies) and consumer representatives. Meetings are held to identify and address operational difficulties that come with the implementation of the NCA on a consensus basis.

- **Inter-governmental Innovation Hub:**

The NCR is part of the inter-governmental Innovation Hub that was launched during 2019 to test new products that financial players want to introduce to market. This is a hub that was created through the collaborative effort amongst several South African financial sector regulators, including the FIC, FSCA, NCR, SARB and SARS, working together under the Intergovernmental Fintech Working Group (IFWG). The purpose of the Innovation Hub is to demystify the regulatory landscape, by providing a space for safe testing of innovative ideas, and actively advance innovation in financial services.

- **World Bank Project:**

In response to the Fourth Industrial Revolution (4IR), the NCR is collaborating with the World Bank for the subsidisation of smaller players to register consumer credit information on credit bureau databases.

Bringing smaller players on board will enhance the quality, accuracy and real-time availability of consumer information for the benefit of consumers and credit providers.

- **Establishment of a National Register of Credit Agreements:**

The NCR was requested by the Minister of Trade, Industry and Competition to establish the National Credit Register in partnership with the South African Reserve Bank, Prudential Authority, Financial Intelligence Centre and Financial Sector Conduct Authority. The regulators established a Steering Committee to provide strategy leadership and management of the project. The Steering Committee established four work streams on stakeholder relations, legal, information technology and data to work on different aspects of the Register. Much of the work is still in progress, including the proposed legal framework for the Register.

Acknowledgements and appreciation

I would like to thank the NCR executive team, management and personnel for their dedication and valuable contribution throughout the year. Their excellent work makes it possible for the NCR to achieve its mission and fulfil its mandate.

My sincere appreciation also goes to the members of the Audit and Risk Management Committee for providing oversight. I would also like to express my gratitude to the Minister of Trade, Industry and Competition, Honourable Mr Ebrahim Patel; the dtic; the Portfolio Committee on Trade and Industry and the Select Committee on Trade and International Relations for their guidance and support.



Nomsa Motshegare

Chief Executive Officer

National Credit Regulator

Official sign-off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the National Credit Regulator under the guidance of Mrs N Motshegare;
- Takes into account all the relevant policies, legislation and other mandates for which the National Credit Regulator is responsible for; and
- Accurately reflects the Outcomes and Outputs which the National Credit Regulator will endeavour to achieve over the period 2021/22 – 2023/24 period.

Signature



Lesiba Mashapa: Company Secretary

Signature



Josephine Meyer: Chief Financial Officer



Obet Tongoane: Deputy Chief Executive

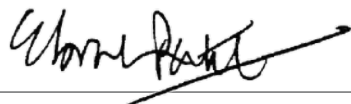
Signature:



Nomsa Motshegare: Accounting Officer

Approved by:

Signature:



Mr Ebrahim Patel: Executive Authority

PART A: Our Mandate

1. Updates to Relevant Legislative and Policy Mandates

In terms of the Public Finance Management Act, the National Credit Regulator (NCR) is a Schedule 3A public entity. It is tasked with carrying out education, research, policy development, registration of industry participants, investigation of complaints, and ensuring the enforcement of the National Credit Act (NCA).

The purpose of the NCA is to:

- Promote a fair and non-discriminatory marketplace for access to consumer credit and for that purpose to provide for the general regulation of consumer credit and improved standards of consumer information;
- Promote black economic empowerment and ownership within the consumer credit industry;
- Prohibit certain unfair credit and credit-marketing practices;
- Promote responsible credit-granting and use and for that purpose prohibit reckless credit-granting;
- Provide for debt reorganization in cases of over- indebtedness;
- Provide for registration of credit bureaus, credit providers, debt counsellors, payment distribution agents and alternative dispute resolution agents;
- Establish national norms and standards relating to consumer credit;
- Promote a consistent enforcement framework relating to consumer credit;
- Establish the NCR and the National Consumer Tribunal (NCT); and
- Promote and advance the social and economic welfare of South Africans, promote a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible credit market and industry.

The National Credit Regulator enforces the provisions of the National Credit Act by:

- Promoting informal resolution of disputes between consumers and credit providers, credit bureaus and/or debt counsellors;
- Receiving complaints regarding contraventions of the NCA;
- Monitoring the consumer credit market and industry to prevent, detect and/or prosecute contraventions;
- Investigating and evaluating alleged contraventions of the NCA;
- Issuing and enforcing compliance notices in respect of contraventions;

- Negotiating and concluding undertakings and consent orders as a means of resolving consumer complaints; and
- Referring matters to the NCT for adjudication.

The NCR is also mandated to undertake research on the nature and dynamics of the consumer credit market by:

- Implementing education and information measures to develop public awareness of the provisions of the NCA;
- Providing guidance to the credit market and industry;
- Monitoring socio-economic patterns of consumer credit activity in South Africa;
- Conducting reasonable periodic audits of registered credit providers in respect of historical data relative to credit applications and credit agreements;
- Monitoring trends in the consumer credit market and industry; and
- Reviewing legislation and regulations, and reporting to the Minister concerning matters related to consumer credit.

The NCR promotes public awareness around consumer credit matters by:

- Conducting consumer education and awareness campaigns.

The NCR is also mandated to review legislation and report to the Minister of Trade, Industry and Competition on matters pertaining to consumer credit.

Key legislative changes

The National Credit Amendment Act No 7 of 2019 was passed by the National Assembly and signed into law by the President in August 2019. It provides debt intervention for over-indebted consumers who cannot afford or qualify for the existing debt relief measures. The NCR is preparing to implement this measure.

2. Updates to Institutional Policies and Strategies

The objectives the NCR pursues are as follows:

- Improved regulatory environment, which promotes economic growth through job creation, integration and transformation.
- A fair, responsible and accessible consumer credit market promoted.

3. Updates to relevant Court Rulings

The NCR appraises the rulings and decision of the High Courts and the National Consumer Tribunal on a regular basis. The likely impact of these decisions is taken into account when crafting our strategic plans. A brief summary of recent court decisions and rulings is provided below:

No.	Matter Name	Court & Case reference number	Legal issues and status
1.	MFSA vs NCR, dti and NCT	North Gauteng High Court Case No 64646/16	This is an application for a declaratory order regarding the interpretation of section 102 that was brought by the MFSA. MFSA would like the court to interpret the section as permitting the inclusion of initiation fees into the deferred amount for all types of credit agreements and not just the credit agreements mentioned in section 102. The matter was set down for a hearing on 29 and 30 July 2019, but was ultimately removed from the roll. The matter was heard in May 2020 and judgment granted in favour of MFSA.
2.	MFSA vs the Minister of Trade and Industry and the NCR.	North Gauteng High Court Case No 59612/17	This is a High Court review of the credit life regulations by the MFSA. The MFSA is alleging that the new prescribed cost of credit life insurance is unreasonable. The parties have agreed to put the matter on hold pending a review of the regulations by the NCR and dtic.
3.	Bridge vs NCR	North Gauteng High Court Case No 87768/14	The Applicant has applied to the High Court for an order to declare sections 55 and 57 of the NCA, which grants the NCR powers to issue compliance notices, unconstitutional. The matter is suspended pending the finalisation of the liquidation application against Bridge.
4.	Getbucks (Proprietary) Limited vs NCR and Another	North Gauteng High Court Case No 20155/15	The NCR lodged an application to the NCT for an order that Getbucks had inter alia overcharged service fees in contravention of Regulation 44. Getbucks then applied to the High Court to declare Regulation 44 ultra vires and void and for an order interdicting the NCR from prosecuting Getbucks at the NCT based on a contravention of Regulation 44. Judgment was handed down in the

No.	Matter Name	Court & Case reference number	Legal issues and status
			High Court on 11 October 2019, in terms of which the court found that Regulation 44 was ultra vires, granted an order prohibiting the NCR from continuing with the Regulation 44 portion of the prosecution in the NCT and ordered NCR and the Minister to pay legal costs. NCR launched an application for leave to appeal on 1 November 2019. The application for leave to appeal was heard on 23 January 2020 and the court granted the application. The appeal was lodged at the SCA and was heard by the SCA in March 2021 and the court reserved judgement.
5.	Moneyline Financial Services (Pty) Ltd vs NCR	North Gauteng High Court Case No A440/16	Moneyline appealed the decision handed down by the NCT which ruled on 11 March 2016 that the NCR acted lawfully and procedurally correct when investigating Moneyline. The merits relate to allegations of reckless lending towards the recipients of social security grants by Moneyline. The Appeal was heard on 4 December 2018 and judgment was handed down on 30 August 2019 in terms of which the appeal was postponed and Moneyline was ordered to join the NCT as a Respondent before the appeal could proceed. Moneyline then launched an application for leave to appeal against this judgment, which application for leave to appeal was heard on 2 December 2019. Judgment was in favour of the NCR calling for the joinder of the NCT as a second respondent by Moneyline. Once the NCT has been properly joined, the merits of the matter will be heard by the court.
6.	NCR vs Standard Bank	National Consumer Tribunal NCT/29041/2015/140 (1)	The NCR referred Standard Bank to the NCT for alleged reckless lending. The matter concerns the so-called "699 Satinsky" car sales scheme. The NCT dismissed the application by the NCR

No.	Matter Name	Court & Case reference number	Legal issues and status
			and the NCR is appealing the decision. The matter was heard in May 2020 and judgment was granted in favour of Standard Bank.
7.	NCR vs Nedbank	National Consumer Tribunal NCT/31680/2015/140 (1)	The NCR referred Nedbank to the NCT for alleged reckless lending. The matter concerns the so called “699 Satinsky” car sales scheme. The matter was resolved through a settlement agreement during December 2018 and redress was given to consumers.
8.	BMW vs NCR	National Consumer Tribunal NCT/93829/2017/56(1)	Compliance Notice was issued for the “on the road” fees. BMW objected to the compliance notice by an application to the NCT. The NCR is opposing the objection application.
9.	VW vs NCR	NCT/94937/2017/56(1)	Compliance Notice was issued for the “on the road” fees. VW objected to the compliance notice. The NCR opposed the application. The matter was heard in February 2019, and judgement was handed down in favour of the NCR. VW has appealed the decision to the High Court.
10.	Mercedes Benz vs NCR	NCT/107156/2018/56(1)	Compliance Notice was issued for the “on the road” fees. Mercedes Benz objected to the compliance notice and lodged an application to the NCT. The NCR opposed the application. Pleadings have closed and we are awaiting a hearing date.
11.	Gugu's Financial Services	NCT-116709-2018-140 (1)	Prohibited conduct, reckless credit, unlawful provisions, unlawful advertising practices, overcharging, audit and refund - Settlement agreement made order of the Tribunal on 24 April 2019.
12.	Tediti Trading Enterprises CC	NCT/125049/2019/57(1)	Cancellation of registration, reckless credit, overcharging cost of credit, pre-agreements and credit agreements not in prescribed form, unlawful enforcement, audit, refund. Judgment of the Tribunal: 15 May 2019
13.	Thabang	NCT/127625/2019/140(1)	Prohibited conduct, reckless credit, audit, refund, cost of credit. Settlement agreement made order of the Tribunal

No.	Matter Name	Court & Case reference number	Legal issues and status
			on 24 June 2019.
17	Standard Bank of South Africa Limited	Case No 44415/16	NCR launched declaratory order application in the PTA High Court regarding the application of common law set off on credit agreements. High Court: Declaratory Order granted in NCR's favour, with costs. High Court Judgment: 27 June 2019.

PART B: Our Strategic Focus

1. Situation Analysis

A high-level assessment was undertaken to identify the most significant developments in the external and internal environment that are likely to influence or impact the NCR over the next few years. The emergence of the Covid-19 pandemic and the declaration of the National state of disaster are impacting the NCR and the implementation of its mandate. First, a brief synopsis of the state of the South African credit market is provided. An analysis of the internal and external factors impacting on the NCR is then provided.

State of the Credit Market

The total value of new credit extended to South African consumers as at the end of September 2020 was R129.45 billion. This represents an increase of R74.76 billion (136.72%) quarter on quarter and a decrease of R13.56 billion (9.48%) year on year.

Mortgages share of new credit granted increased from 30.18% in September 2019 to 38.05% in September 2020. Secured credit, which is dominated by vehicle finance decreased by R83.90 billion (0.19%) year-on-year and increased by R22.74 billion (110.85%) quarter-on-quarter. Mortgage credit is currently the largest credit extended per quarter with a 38.05% share of the total credit granted.

As at September 2020, the total outstanding consumer credit balances (or gross debtors' book) was R1.98 trillion, representing a quarter-on- quarter growth of 0.83% and a year-on-year of 2.42%.

The trends for outstanding balances for the quarter ended September 2020 were as follows:

- Mortgages debtors book increased by R8.82 billion (0.90%) for the quarter ended September 2020 and by R23.21 billion (2.39%) year-on-year.
- Secured credit debtors book increased by R6.05 billion (1.36%) for the quarter ended September 2020 and by R10.16 billion (2.31%) year-on-year.
- Credit facilities debtors book increased by R3.63 billion (1.41%) for the quarter ended September 2020 and by R5.92 billion (2.32%) year-on-year.
- Unsecured credit debtors book decreased by R2.33 billion (1.06%) for the quarter ended September 2020 and increased by R5.92 billion (2.78%) year-on-year.

Credit bureaus held records for 27.66 million credit-active consumers for the quarter ended September 2020; an increase of 2.59% when compared to 26.96 million in the quarter ended June 2020. The number of consumers classified in good standing increased by 57,737 to 17.02 million in the quarter ended September 2020 from 16.96 million in the quarter ended June 2020. The percentage number of consumers classified in “good standing” accounted for 61.52% of the total credit-active consumers. Due to the national lockdown that was implemented from 25 March 2020, all credit product types were impacted.

Applications for registration of credit providers are steadily increasing. As at 30 September 2020, a total of 8 202 credit providers with 35 045 branches, 44 credit bureaus, 4 payment distribution agents, 7 alternative dispute resolution agents and 1 591 debt counsellors were registered with the NCR.

External Environment Analysis

The following external factors affect and may continue to affect the work of the NCR:

a) Socio-economic conditions

According to Trade Economics, unemployment rate in South Africa increased by 7.5% from the second quarter (23.3%) to the third quarter 2020 (30.8%). It is regarded as “the highest jobless rate since quarterly data became available in 2008”. According to Statistics South Africa, total employment decreased by 616 000 or -6,0% year-on-year between September 2019 and September 2020. (Source: Quarterly Employment Statistics (QES), September 2020).

Most people lost their jobs as a result of lockdown restrictions introduced by government to limit the spread of the COVID-19 pandemic. The global recession that is being experienced worldwide

is as a result of the extended lockdown, lower consumption expenditure and investment that are expected due to the coronavirus pandemic and it is anticipated that its effects will be felt for many years to come.

Recovery in the Gross Domestic Product takes longer than anticipated. According to the National Treasury “GDP growth is expected to rebound to 3.3 per cent in 2021, and to average 2.1 per cent over the medium term. Based on this projection, the economy will only recover to 2019 levels in 2024.” (Source: Economic Outlook- National Treasury, October 2020).

“.....painful lessons have been learned about a virus that has created enormous challenges for policymakers all over the world. It is clear that, in the face of the recent renewed surges in the pandemic, Covid-19 exit strategies are, more than ever, a complex process of balancing trade-offs, handling fears and maintaining trust.

In a nutshell, whereas for many other countries the original shock of Covid-19 early in 2020 interrupted a positive growth cycle, the SA economy was already extremely vulnerable when the pandemic hit.

However, as the lockdown in SA was progressively eased, high-frequency data in the second half of the year confirmed that, as the economy slowly reopened, a recovery was under way.

On the strengths of some positive assumptions about the economic outlook, SA could still expect to see the GDP growth rate rebound to about 3% in 2021.

The SARB’s latest Quarterly Bulletin also predicts a recovery in personal disposable income and consumer spending in Q2 2021, which could underpin an economic revival next year. SA economy is by no means out of the woods.” (Source: The SA economy in 2021 - Looking into the crystal ball; by Raymond Parsons – 30 December 2020)

Economic growth has been supported by further easing of lockdown restrictions. “Getting back to pre-pandemic output levels, however, will take time. Sharply lower investment this year by both public and private sectors will weigh on growth prospects in coming years. GDP is now expected to grow by 3.5% in 2021 and by 2.4% in 2022.” (Source: SARB Governor Lesetja Kganyago: Statement of the Monetary Policy Committee – November 2020).

b) Regulatory framework

Changes to the Regulatory framework include: reduction of interest rates, capping of credit life insurance premiums, ongoing removal of paid up judgments and adverse listings, removal of registration thresholds for credit providers, creation of a credit information reporting framework and formal registration of payment distribution agents and alternative dispute resolution agents.

c) National Register of Credit Agreements

The NCR in collaboration with other financial sector regulators, i.e. The South African Reserve Bank, Prudential Authority, Financial Sector Conduct Authority and Financial Intelligence Centre in establishing the National Register of Credit Agreements. The purpose of the register is to monitor trends and developments in the credit market and financial stability. The NCR has entered into an MOU with the above regulators.

d) Debt intervention

The National Credit Amendment Act No. 7 of 2019 was passed by the National Assembly and signed into law by the President in August 2019. It provides debt intervention for over-indebted consumers who cannot afford or do not qualify for existing debt relief measures. The NCR is to execute this additional mandate in the coming years.

e) Digitisation and increasing complexity

The credit market continues evolving due to the technology that drives it. The on-line lending, including debt relief loans and the impact of the Covid-19 pandemic has brought new regulatory challenges. Close monitoring or scrutiny on compliance with the law will have to be done.

The NCR continues to monitor the introduction of new credit products and the advertising by credit providers, in order to curb the luring of consumers into debt traps. This in turn requires improved product knowledge and understanding by the NCR to be able to monitor their compliance with legislation effectively.

The NCR is a member of the South African Innovation Hub where new products are tested before being introduced into the markets

f) Fourth Industrial Revolution (4IR)

As technology advances, the pace of (the resultant) change is faster and it becomes imperative to upgrade knowledge, skills, attitudes, efficiencies, systems processes and budget.

Digitisation and 4IR brings opportunities (faster processing of information and levelling of the playing field), but also many challenges and risks (cybercrime and protection of personal information) that can affect the work of the NCR.

g) Stakeholder management

The approach of the NCR towards stakeholder management is to facilitate open discussion and engagement with the industry and other stakeholders. Efforts are being made to achieve this objective while avoiding regulatory capture by the industry.

The NCR established the Credit Industry Forum, which serves as a platform for the NCR, and industry to engage and reach agreement on industry issues. The forum represents all industry players and consumers. It plays an important role in resolving operational problems on the implementation of the legislation.

The NCR is a member of the African Consumer Protection Dialogue, which is facilitated by the Federal Trade Commission of the United States (The African Dialogue). This forum brings together regulators from all over the African continent to discuss consumer protection issues and share information.

The NCR also holds regular meetings with regulators, industry associations and registrants. MOAs have been entered into with FSCA, PA and SARB in terms of the Financial Sector Regulatory Act.

The NCR has networks with other regulators in the SADC region, United States of America and the United Kingdom.

The NCR is a member of the World Bank's International Committee on Credit Reporting (ICCR) and participates in meetings and webinars.

Internal Environment analysis

The following internal factors affect the work of the NCR:

a) Funding

Adequate funding is a factor that the NCR always needs to consider, especially due to the impact of Covid-19 pandemic and the government's response to it. Due to cost-cutting measures and improved efficiencies, the NCR was able to deliver against its Strategic Plan so far.

The NCR's budget allocation has been reduced for the next three years. We need to continue finding innovative ways to augment the budget, but also new ways of working smarter in order to be able to execute our legislative mandate.

b) Structure, systems and processes

- a) With the 4IR upon us, it is essential to advance our information communication technology (ICT)

to enable our deliverables.

- **Call Centre Management System:** The new call centre management system went live during 2019/20 and improved not only the efficiency of the call centre, but also service delivery to consumers. Enhanced features includes amongst others automated call distribution, call monitoring and real time and historical reporting. These new features resulted in increased customer satisfaction as, for example, calls are routed directly to an agent instead of multiple transfers, this allows ease of access to the NCR, improves call quality and helps gain the consumers trust. The monitoring and reporting enhancement makes it possible to identify training needs in order to continuously improve service delivery.
- **VPN and Firewall set up:** This security feature will improve system security and implement a permanent remote working solution. A temporary system is in place with the permanent solution to soon be phased in.
- **Infrastructure and Server upgrade:** This will optimise systems and applications' performance and response time as well as replace servers that are out of warranty. The upgrade is almost complete.
- **Exchange server (email) upgrade and services migration to the new servers:** Exchange servers upgraded to the most current supported version and migration to the new servers is almost complete.
- **Enhanced operational systems:** Various internal systems will be overhauled to create an efficient and integrated operational system to improve operational efficiency and responsiveness within NCR.

It remains imperative to scan the environment for developments and to continuously update and innovate our systems and processes and ensure that a robust structure underpins it all

c) Human capital

Having people with the right skills on board is an important factor that determines the success of the NCR. To increase capacity and bolster staff complement, we recruit interns to assist with, in particular, investigations and compliance monitoring. Retention of skills is a major priority; however, we continue to loose these skills to the credit industry. In addition, certain key positions have been frozen because of funding challenges.

d) Occupational Health and Safety

NCR is committed to making its working environment safe for its employees, especially during the Covid-19 pandemic. Some of the measures implemented include provision of sanitizers, facial masks, personal protective equipment, body temperature monitoring, social distancing observed, regular disinfection and provision of a sickroom.

e) Knowledge intensity

Operating in a knowledge economy and digitised workplace means the NCR has to provide its valued staff with opportunities for training and further studies, participation in conferences and similar industry events. Life-long learning is vital.

PART C: Measuring our performance

1. Institutional Programme Performance Information

1.1. Programme: Improved regulatory environment

1.1.1. Purpose of the programme: To promote economic growth through job creation, integration and transformation.

1.1.2. Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Audited Actual Performance		Estimate Performance	Medium Term Targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved consumer protection through education and awareness of the NCA.	Conduct consumer education and awareness campaigns and activities regarding consumer rights	Number of consumer education and awareness campaigns and activities conducted on consumer rights.	-	-	**Conduct 120 consumer education and awareness campaigns and activities on deceptive and unfair practices and consumer rights.	Conduct 500 consumer education and awareness campaigns and activities on consumer rights.	Conduct 520 consumer education and awareness campaigns and activities on consumer rights.	Conduct 540 consumer education and awareness campaigns and activities on consumer rights
	Conduct consumer education and awareness campaigns and activities regarding deceptive and unfair practices.	Number of consumer education and awareness campaigns and activities conducted on deceptive and unfair practices.	37 multimedia awareness campaigns were conducted.	87 multimedia awareness campaigns were conducted.		**Conduct 120 consumer education and awareness campaigns and activities on deceptive and unfair practices.	**Conduct 130 consumer education and awareness campaigns and activities on deceptive and unfair practices.	**Conduct 140 consumer education and awareness campaigns and activities on deceptive and unfair practices.

Outcome	Outputs	Output Indicators	Audited Actual Performance		Estimate Performance	Medium Term Targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Increased efficiency in registration of persons and entities to facilitate creation of job opportunities.	Improve efficiency in the registration process of persons and entities.	% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.	*99% applications were registered within 10 business days of receipt of signed proposed conditions and payment of registration fees.	99.7% applications were registered within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 96% of persons and entities in the consumer credit market within 8 of business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 98% of persons and entities in the consumer credit market within 8 business days of receipt of signed proposed conditions and payment of registration fees.	Register 99% of persons and entities in the consumer credit market within 7 business days of receipt of signed proposed conditions and payment of registration fees.

1.1.3 Output Indicators: Annual and Quarterly Targets

Output Indicator	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Number of consumer education and awareness campaigns and activities conducted on consumer rights.	Conduct 500 consumer education and awareness campaigns and activities on consumer rights	125	125	125	125
Number of consumer education and awareness campaigns and activities conducted on deceptive and unfair practices	*Conduct 120 consumer education and awareness campaigns and activities on deceptive and unfair practices	30	30	30	30

Output Indicator	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees

**Based on the estimated annual performance targets for 2020/21 financial year.*

***Examples of deceptive and unfair practices amongst others: Blacklisted welcome, no credit checks, loan guaranteed, affordable credit etc.*

1.1.4 Explanation of planned performance over the medium-term period

- To improve education awareness regarding deceptive and unfair practices and consumer rights
- Efficient registration of new entrants in the consumer credit market to increase the participation of SMMEs, which would facilitate the creation of job opportunities, which ultimately contributes towards economic growth.

1.1.5 Programme resource considerations

Economic classification	Improved regulatory environment						
	Expenditure outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Current payment Compensation of employees		R 7.7m	R9.3m	R9.5m	R10m	R10.5m	R11m
Goods & services, etc.	-	R3.4m	R4.1m	R4.1m	R4.3m	R4.5m	R4.7m
Total	-	R11.1m	R13.4m	R13.6m	R14.3m	R15m	R15.7m

1.2 Programme: Enforcement of the National Credit Act.

1.2.1 Purpose of the programme: To promote a fair, responsible and accessible consumer credit market through the enforcement of the NCA. This will be implemented by conducting investigations and taking enforcement action on non-compliant registrants.

1.2.2 Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved compliance through enforcement of the NCA.	Improve compliance with regulations pertaining to the total cost of credit.	Number of investigations conducted on credit providers relating to total cost of credit to ensure compliance with the regulations.	66 investigations were conducted.	Q1 &Q2 163 of any or a combination of the following were conducted (36 Investigations, 103 compliance monitoring, 24 complaints evaluations, 0 audits, 0 raids). Q3 &Q4 143 credit providers were investigated/ compliance monitored/ complaints evaluated.	329 credit providers were investigated by way of compliance monitoring, audit, investigations and complaints evaluations.	***Conduct 300 investigations on credit providers relating to total cost of credit to ensure compliance with regulations.	***Conduct 420 investigations on credit providers relating to total cost of credit to ensure compliance with regulations.	***Conduct 440 investigations on credit providers relating to total cost of credit to ensure compliance with regulations.	***Conduct 500 investigations on credit providers relating to total cost of credit to ensure compliance with regulations.

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved compliance through enforcement of the NCA.	Enforcement action taken where necessary by end of the financial year.	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance with regulations relating to the total cost of credit-by-credit providers.	Enforcement action was taken on 57 non-compliant credit providers.	Q1 & Q2 84% (137 ÷ 163) enforcement action taken on 137 of any or a combination of the following: (26 investigations, 103 compliance monitoring, 8 complaints evaluations, 0 audits, 0 raids)	Enforcement action was taken on 88% (274) of 310 credit providers as a set target.	Take enforcement action on 80% of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers, by the end of the financial year.	Take enforcement action on 80% of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers, by the end of the financial year.	Take enforcement action on 80% of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers, by the end of the financial year.	Take enforcement action on 85% of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers, by the end of the financial year
	Improve compliance with regulations pertaining to the total cost of credit (including credit life insurance)	Impact study report on the effect of total cost of credit and credit life insurance regulations on consumers and submit a final report to the dtic.	-	The impact study of - the effect of total cost of credit and credit life insurance conducted.	-	-	****Conduct an impact study of limitations on fees and interest rates and credit life regulations and submit a final report to the dtic.	-	-

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved compliance through enforcement of the NCA.	Conduct investigations on credit providers relating to reckless lending and/or collection of prescribed debt.	Number of investigations conducted on credit providers relating to reckless lending and/or collection of prescribed debt.	70 credit provider investigations were conducted.	Q1 & Q2 188 of any or a combination of the following were conducted (38 investigations, 104 compliance monitoring, 46 complaints evaluations, 0 audits, 0 raids) Q3 & Q4 133 credit providers were investigate/ compliance monitored/ complaints evaluated.	339 credit providers were investigated by way of compliance monitoring, audit, investigations and complaints evaluations.	**Conduct 300 investigations on credit providers relating to reckless lending and/or collection of prescribed debt.	** Conduct 380 investigations on credit providers relating to reckless lending and/or collection of prescribed debt..	**Conduct 430 investigations on credit providers relating to reckless lending and/or collection of prescribed debt.	**Conduct 450 investigations on credit providers relating to reckless lending and/or collection of prescribed debt.

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Enforcement action taken where necessary for the whole year.	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance relating to reckless lending and/or collection of prescribed debt by credit providers.	Enforcement action was taken on non-compliant credit providers	Q1 & Q2 71% (133 ÷ 188) enforcement action taken on 133 of any or a combination of the following (26 investigations, 101 compliance monitoring, 6 complaints evaluations, 0 audits, 0 raids) Q3 & Q4 74% (99 ÷ 133) enforcement action taken on 99 credit providers investigate/evaluated/monitored	94% (280/299) enforcement action was taken on credit providers where contravention of the Act were found.	Take enforcement action on 60% of investigations which identified non-compliance with regulations relating to reckless lending and/or collection of prescribed debt by credit providers by the end of the financial year	Take enforcement action on 70% of investigations which identified non-compliance with regulations relating to reckless lending and/or collection of prescribed debt by credit providers by the end of the financial year	Take enforcement action on 75% of investigations which identified non-compliance with regulations relating to reckless lending and/or collection of prescribed debt by credit providers by the end of the financial year.	Take enforcement action on 80% of investigations which identified non-compliance with regulations relating to reckless lending and/or collection of prescribed debt by credit providers by the end of the financial year.

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved compliance through enforcement of the NCA.	Improve compliance by hosting credit bureaus in respect of quality, accuracy, data security/ protection, the removal of paid up judgements and adverse consumer credit information.	*****Number of investigations conducted on hosting credit bureaus relating to quality, accuracy, data security/ protection, the removal of paid up judgements and adverse consumer credit information	-	-	-	Monitor 14 credit bureaus	Conduct 3 investigations on hosting credit bureaus relating to quality, accuracy, data security/protection, the removal of paid up judgements and adverse consumer credit information	Conduct 4 investigations on hosting credit bureaus relating to quality, accuracy, data security/protection, the removal of paid up judgements and adverse consumer credit information.	Conduct 5 investigations on hosting credit bureaus relating to quality, accuracy, data security/protection, the removal of paid up judgements and adverse consumer credit information
		Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance by credit bureaus	-	-	-	-	Take enforcement action on 75% of investigations, which identified non-compliance by credit bureaus by end of the financial year.	Take enforcement action on 75% of investigations, which identified non-compliance by credit bureaus by end of the financial year.	Take enforcement action on 80% of investigations, which identified non-compliance by credit bureaus by end of the financial year.

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		% of evaluated credit bureau annual compliance reports certified by an independent auditor for their previous financial year .	Auditors' reports from credit bureaus were reviewed.	100% (13) credit bureaus' audited reports were received and evaluated *Two (2) credit bureaus were found to be non-compliant and enforcement was taken on both.	Evaluated 100% (29) of registered credit bureau annual compliance reports certified by an independent auditor received from credit bureaus.	Evaluate 100% annual compliance reports certified by an independent auditor submitted by credit bureaus for their 2019 financial year.	Evaluate 100% annual compliance reports certified by an independent auditor submitted by credit bureaus for their 2020 financial year.	Evaluate 100% annual compliance reports certified by an independent auditor submitted by credit bureaus for their 2021 financial year.	Evaluate 100% annual compliance reports certified by an independent auditor submitted by credit bureaus for their 2021 financial year.

Outcome	Outputs	Output Indicators	Audited Actual Performance			Estimate Performance	Medium Term Targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		Enforcement action taken on a percentage (%) of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year.	Enforcement action was taken on two (2) non-compliant credit bureaus.	-	During the financial year, 11 credit bureaus were found to be non-compliant, 9 were issued with instructional letters and a settlement agreement was reached with one credit bureau. The investigation of one credit bureau is still underway.	Take enforcement action on 100% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2021.	Take enforcement action on 70% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2022.	Take enforcement action on 70% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2023.	Take enforcement action on 70% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2024.

**Based on the estimated annual performance targets for 2020/21 financial year.*

****Investigations includes amongst others: complaints evaluations/compliance monitoring/audits/raids.*

*****The review (impact study) is conducted at intervals of not more than 3 years in terms of Regulation 45 (1) of the NCA.*

****** Is one that receives payment profile information that flows from credit/data providers via the Data Transmission Hub. In addition, they hold a full database of all credit active consumers in South Africa, whereas the other types of credit bureaus hold partial consumer credit information only. These credit bureaus need extensive IT systems & infrastructure as millions of records flow to and are processed by them daily.*

1.2.3 Output Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Number of investigations conducted on credit providers relating to total cost of credit to ensure compliance with the regulations.	***Conduct 420 investigations on credit providers relating to total cost of credit to ensure compliance with regulations.	130	130	80	80
Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers.	Take enforcement action on 75% of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers, by the end of the financial year.	-	-	-	Take enforcement action on 75% of investigations, which identified non-compliance with regulations relating to the total cost of credit by credit providers, by the end of the financial year.
Impact study report on the effect of credit and credit life insurance regulations on consumers and submit a final report to the dtic	****Conduct an impact study of limitations on fees and interest rates and credit life regulations and submit to the dtic	Draft ToR for the impact study.	Commence with an impact study and produce a progress report.	Continue with an impact study and produce a draft report.	Finalise the impact study, produce a final report with recommendations and submit to the dtic
Number of investigations conducted on credit providers relating to reckless lending and/or collection of prescribed debt and/or collection of prescribed debt.	***Conduct 380 investigations on credit providers relating to reckless lending and/or collection of prescribed debt.	90	90	100	100

Output Indicators	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance relating to reckless lending and/or collection of prescribed debt by credit providers.	Take enforcement action on 70% of investigations which identified non-compliance with regulations relating to reckless lending and/or collection of prescribed debt by credit providers by the end of the financial year	-	-	-	Take enforcement action on 70% of investigations which identified non-compliance with regulations relating to reckless lending and/or collection of prescribed debt by credit providers by the end of the financial year
Number of investigations conducted on hosting credit bureaus relating to quality, accuracy, data security/protection, the removal of paid up judgements and adverse consumer credit information	Conduct 3 investigations on hosting credit bureaus relating to quality, accuracy, data security/protection, the removal of paid up judgements and adverse consumer credit information	1	1	1	-
Enforcement action taken by the end of the financial year on a percentage (%) of investigations with identified non-compliance by credit bureaus	Take enforcement action on 67% of investigations, which identified non-compliance by credit bureaus by end of the financial year.	-	-	-	Take enforcement action on 67% of investigations, which identified non-compliance by credit bureaus by end of the financial year.
% of evaluated credit bureau annual compliance reports certified by an independent auditor for their previous financial year	Evaluate 100% annual compliance reports certified by an independent auditor submitted by credit bureaus for their 2020 financial year.	Evaluate 100% annual compliance reports certified by an independent auditor submitted by registered credit bureaus for their 2020 financial year.	-	-	-

Output Indicators	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Enforcement action taken on a percentage (%) of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2022.	Take enforcement action on 70% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2022	-	-	-	Take enforcement action on 70% of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year by 31 March 2022

**Based on the estimated annual performance targets for 2020/21 financial year.*

****Investigations includes amongst others: complaints evaluations/compliance monitoring/audits/raids.*

*****The review (impact study) is conducted at intervals of not more than 3 years in terms of the NCA.*

***Investigations includes amongst others: complaints evaluations/compliance monitoring/audits/raids.*

1.2.4 Explanation of planned performance over the medium-term period

- Promotion of affordable levels of credit granting, decreased levels of reckless lending and unfair practices and accurate consumer credit information will contribute towards economic transformation.
- In order to achieve these targets, the NCR requires a well-functioning infrastructure, adequate funding and capacity to enhance its efficiency and effectiveness

1.2.5 Programme resource considerations

Enforcement of the National Credit Act							
Economic classification	Audited Expenditure Outcome			Adjusted Appropriation	Medium-Term Expenditure Estimate		
	2017/18 R '000	2018/19 R '000	2019/20 R '000	2020/21	2021/22	2022/23	2023/24
Current payment Compensation of employees	R77.3m	R 77.5m	R83m	R79.5m	R92.4m	R94.3m	R98.8m

Goods & services, etc.	R44m	R44.8m	R61m	R51,7m	R56,8m	R58.7m	R56m
Payments of capital assets Building and other fixed structure Machinery & equipment	R4.2m	R3.3m	R10.8m	R14.7m	R5.9m	R6.1m	R6.2m
Total	R125.2m	R125.6m	R154.8m	R145.9m	R155.1m	159.1m	R161m

2. DTIC Joint Key Performance Indicators

The following Joint Indicators set out areas of focus that National Credit Regulator (NCR) will report to on a quarterly basis to the Executive Authority. The areas of focus representing key priorities of government that are set out in more detail in the Annual Performance Plan for 2021/22 for the dtic.

NCR will contribute to achievement of the joint indicators and the output required in a report to the Executive Authority that sets out the actions taken by NCR highlighting the contributions to the achievement of the dtic outcomes.

Joint Indicator 1: Integrated support to drive industrialisation

Outcome:	Increased industrialisation and localisation opportunities implemented	Performance period	2021/2022
Output /s:	Report documenting the integrated support to drive industrialisation through master plans in national priority sectors; increased and diversified localisation through government and private sector procurement; and promotion of beneficiation.		
Indicator title:	Report on integrated support across dtic to drive industrialisation that supports economic recovery; covering industry Master Plans, localisation initiatives across the economy, COVID-Industrial Interventions and beneficiation.		
Indicator definition	Integrated support across dtic to drive industrialisation that supports economic recovery; covering industry Master Plans, localisation initiatives across the economy, COVID-Industrial Interventions and beneficiation.		
Annual dtic Target/s		Contribution by National Credit Regulator	Resourcing (MTEF Budget Allocation)
Integrated support to drive industrialisation that supports economic recovery; covering industry Master Plans, localisation initiatives across the economy, COVID-Industrial Interventions and beneficiation		Four quarterly reports on localisation initiatives implemented by NCR through procurement of strictly South African service providers/companies and employment of South African citizens (excluding ICT related procurement).	This indicator will be resourced within current entity resources

Output Indicator	2021/22 Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
A percentage of the procurement plan dedicated to increasing and diversifying localisation through government and private sector procurement and promotion of beneficiation.	Implement 60% of the Procurement Plan (excluding ICT procurement).	Reviewed and updated procurement forms to include a clause stating appointment of strictly South African Service Providers/companies and employment of South African citizens.	-	-	-
		Implement 60% of the Procurement Plan (excluding ICT procurement).	Implement 60% of the Procurement Plan (excluding ICT procurement).	Implement 60% of the Procurement Plan (excluding ICT procurement).	Implement 60% of the Procurement Plan (excluding ICT procurement).

Joint Indicator 2: The AfCFTA Export Plan

Outcome:	Increased export-readiness by South African firms, measured by knowledge of market opportunities and firm-level actions to utilise these opportunities	Performance period	2021/2022
Output /s:	A clear plan that indicates the potential opportunities to grow exports in terms of the AfCFTA, with responsibilities assigned to facilitate implementation		
Indicator title:	Completed AfCFTA Export Plan to grow value-added exports to the rest of Africa, setting out the opportunities by product, sector and country		
Indicator definition	AfCFTA export plan to grow value-added exports to the rest of Africa setting out the opportunities by product, sector and country		
Annual dtic Target/s	Contribution by National Credit Regulator		Resourcing (MTEF Budget Allocation)
Completed AfCFTA export plan to grow value-added exports to the rest of Africa setting out the opportunities by product, sector and country completed	Four quarterly reports on measures enacted by NCR to contribute to an AfCFTA export plan to grow value-added exports to the rest of Africa (Enter into MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants)		This indicator will be resourced within current entity resources

Output Indicator	2021/22 Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Signed MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants.	Sign MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to	Initiate negotiations with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants.	Draft an MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants	Continue to draft an MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants	Finalise and sign-off the MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants

Joint Indicator 3: Investment Facilitation and Growth

Outcome:	Strategic investment by enterprises (private and public) to support growth of South African economy			Performance period	2021/2022
Output /s:	Investment projects facilitated and investment directed towards key sectors of the economy				
Indicator title:	Report on Investment facilitation and growth: steps taken to support new investment in key sectors				
Indicator definition	Investment facilitation and growth through steps taken to support new investment in key sectors				
Annual dtic Target/s	Contribution by National Credit Regulator		Resourcing (MTEF Budget Allocation)		
Report on investment facilitation and growth: steps taken to support new levels of investment in key sectors developed	Four reports on measures enacted by NCR to support investment in South Africa through workshops on developmental credit and research on regulatory impediments		This indicator will be resourced within current entity resources		

Output Indicator	2021/22 Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Number of workshops conducted on developmental credit.	Conduct two workshops on developmental credit.	Develop a workshop manual.	1 workshop	1 workshop	-
A research report with recommendations on regulatory impediments.	A research report with recommendations on regulatory impediments	Draft ToR for the research report on regulatory impediments.	Commence procurement and appoint a service provider	Commence with the research and produce a draft report	Finalise research and produce a report with recommendations.

Joint Indicator 4: District Development and Spatial Equity

Outcome:	Contribute to intergovernmental action in implementation of the District Development Model towards district economic development	Performance period	2021/2022
Output /s:	District integrated report with district development economic maps		
Indicator title:	Report on District Development Model and Spatial equity including incorporating all work within the District Model		
Indicator definition	District Development Model and Spatial equity including incorporating all work within the District Model District Development Model and Spatial equity including incorporating all work within the District Model		
Annual dtic Target/s	Contribution by National Credit Regulator	Resourcing (MTEF Budget Allocation)	
District Development Model and Spatial equity including incorporating all work within the District Model	Four quarterly reports by NCR which set out how their work has contributed to the economic development in each of the Districts and Metropolitan Areas of South Africa through participation in the Intergovernmental Fintech Working Group (IFWG) to test products to facilitate entry into the South African credit market.	This indicator will be resourced within the current entity resources	

Output Indicator	2021/22 Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Participate and consider applications in the IFWG to test products to facilitate entry into the South African credit market.	Participate and consider applications in the IFWG where necessary.	Participate and consider applications in the IFWG where necessary.	Participate and consider applications in the IFWG where necessary.	Participate and consider applications in the IFWG where necessary.	Participate and consider applications in the IFWG where necessary.

Joint Indicator 5: Actions to promote transformation

Outcome:	Promoting a growing and inclusive economy	Performance period	2021/2022
Output /s:	Report on actions to promote transformation through structural changes in the economy to enable greater inclusion and growth; and empowerment of designated groups, using the range of public tools such as procurement, incentives, technical support and enabling opportunities		
Indicator title:	Report on actions to promote transformation through structural changes in the economy to enable greater inclusion and growth; and empowerment of designated groups, using the range of public tools such as procurement, incentives, technical support and enabling opportunities		
Indicator definition	Actions to promote transformation through structural changes in the economy to enable greater inclusion and growth; and empowerment of designated groups, using the range of public tools such as procurement, incentives, technical support and enabling opportunities		
Annual dtic Target/s	Contribution by National Credit Regulator	Resourcing (MTEF Budget Allocation)	
Actions to promote transformation through both structural changes in the economy to enable greater inclusion and growth; and empowerment of designated groups, using the range of public tools such as procurement, incentives, technical support and enabling opportunities	Four quarterly reports on the contributions made by NCR to promote transformation through structural changes in the economy to enable greater inclusion and growth; and empowerment of designated groups (40% of procurement spent on majority women owned companies and NCA training sessions conducted for women owned law firms).	This indicator will be resourced within the current entity resources	

Output Indicator	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
A percentage of the procurement spent on majority women owned companies.	40% of procurement spent on majority women owned companies.	Spend 40% of procurement on majority women owned companies	Spend 40% of procurement on majority women owned companies	Spend 40% of procurement on majority women owned companies	Spend 40% of procurement on majority women owned companies
Number of NCA training sessions for women owned law firms conducted.	Conduct 4 NCA training sessions to women owned law firms.	1 NCA training session	1 NCA training session	1 NCA training session	1 NCA training session

Joint Indicator 6: The Green Economy and Greening the Economy

Outcome:	Growing the Green Economy and greening the economy	Performance period	2021/2022
Output /s:	Report on growing the Green Economy and greening the economy		
Indicator title:	Report on growing the Green Economy and greening the economy through actions to support project facilitation, policy development, investment promotion, new product development or industrial processes		
Indicator definition	Actions to green the economy		
Annual dtic Target/s	Contribution by National Credit Regulator	Resourcing (MTEF Budget Allocation)	
Actions to grow the Green Economy and greening the economy, through measures such as support for project facilitation, policy development investment promotion, new product development or industrial processes	Four quarterly reports on measures enacted by NCR to support the green economy or the greening of the economy by facilitating the recycling of used working paper.	This indicator will be resourced within current entity resources	

Output Indicator	2021/22 Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
A certificate on the recycling of used working paper and produce a certificate.	A certificate on the recycling of used working paper and produce a certificate.	Draft ToR and appoint a service provider	Implement the recycling of used working paper.	Continue to implement the recycling of used working paper and produce a certificate.	Continue to implement the recycling of used working paper and produce a certificate.

Joint Indicator 7A (Generic): Strengthening and building a capable state

Outcome:	Functional, efficient and integrated services within the dtic to improve economic development and ease of doing business	Performance period	2021/2022
Output /s:	Actions to promote functional, efficient and integrated government and measures to reduce red tape across dtic and entities		
Indicator title:	Report on strengthening and building capabilities and agility in the dtic and its entities, to improve efficiencies in programmes and entities, to contribute to economic development and ease of doing business		
Indicator definition	Strengthening and building capabilities and agility in the dtic and its entities, to improve efficiencies in programmes and entities, to contribute to economic development and ease of doing business.		
Annual dtic Target/s	Contribution by National Credit Regulator	Resourcing (MTEF Budget Allocation)	
Review of unnecessary red tape and compliance reporting requirements in dtic entities and programmes; monitoring implementation times of dtic services	Four quarterly reports on measures enacted by NCR to improve the ease of doing business (Efficiencies in the registration process of persons and entities).	This indicator will be resourced within the current entity resources	

Output Indicator	Annual Target	Quarterly Milestones			
		1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.	Register 97% of persons and entities in the consumer credit market within 9 business days of receipt of signed proposed conditions and payment of registration fees.

3. Key Strategic Risks and Mitigations

The following table provides a summary of the NCR's key risks, as well as existing controls to mitigate the risks.

Outcomes	Key risk	Risk mitigation
<ul style="list-style-type: none"> Improved consumer protection through education and awareness of the NCA; Increased efficiency in registration of persons and entities to facilitate creation of job opportunities; and Improved compliance through enforcement of the NCA. 	COVID-19 -Impact of COVID-19 on NCR's operations: the health of NCR employees and funding.	<ul style="list-style-type: none"> - Provision of sanitizers, facial masks, personal protective equipment, body temperature monitoring, social distancing observed, regular disinfection and provision of a sickroom. - Provision of remote working tools and policy
	Funding <ul style="list-style-type: none"> - Insufficient funding from the National Treasury may result in the NCR's inability to meet long and short term financial commitments and execution of strategic objectives - Failure to collect renewal fees from registrants. - A reduction in registrants 	<ul style="list-style-type: none"> - Update of the Portfolio Committee as and when required - Prepared & submitted annual cash flow projections to the dtic - Budget mid-term reviews & reprioritization of funds - Approval of annual budget by EXCO (Procurement Plan) - Annual approval of the procurement plan by EXCO - Monthly variance reports to compare actual vs. budget - PDA interest utilization policy; - New registration thresholds for credit providers; - Invoicing of all registrants a month before fees are due; - Uncapping of branch fees; - registration certificates & window decals issued annually upon renewal & not once off; lapsing policy implemented; - Reaching settlement agreements that requires registrants to contribute resources to consumer education activities.

Outcomes	Key risk	Risk mitigation
		<ul style="list-style-type: none"> - To explore the possibility of utilising imposed administrative fines to set-off legal fees incurred by the NCR.
	Information Technology Innovations and / advancements in the external technological environment, may threaten NCR's current business model and the ability to adequately and efficiently service clients	<ul style="list-style-type: none"> - Assessment of the new ICT infrastructure - Additional servers acquired - New additional laptops and desktops acquired - Additional ICT skills recruited - Network infrastructure improved.
	Business Continuity In the event of a major business disruption; the NCR may not be able to continue with the business due to lack of BCP resulting in non-achievement of business objectives	<ul style="list-style-type: none"> - Risk assessment on security performed; - Insurance cover in place; - Maintenance plan in place for office equipment and building; - ICT disaster recovery & BCM plans are in place; - Health & safety committee; - Alignment to Government Covid-19 regulations; - Implemented the BCP in terms of people working remotely where possible; and - Server monitoring & alert system. - Disaster recovery site identified and equipped.
	Fraud and corruption NCR staff members fraudulently charging consumers fees for services rendered; Kickbacks to staff by registrants e.g. inspectors, compliance monitoring officers etc; Falsified employment credentials; Abuse of leave by employees; Theft of fixed assets, including computers and other IT related assets; Unauthorised private use of NCR assets; Misrepresentation of suspense accounts; Unauthorised payroll transactions, Conflict of	<ul style="list-style-type: none"> - Consumer education activities on services offered by NCR are conducted; - Gift register and policy in place; - Pre-employment screening; - Leave audit and updates conducted monthly and sent to management; - Asset verification (including IT equipment) conducted quarterly; - Physical security controls; - Declaration of interest by all employees conducted; - Suspense account reviewed monthly; - Consequence management; - Segregation of duties for payroll processing and release; - Fraud awareness activities conducted quarterly; - Tip off anonymous hotline;

Outcomes	Key risk	Risk mitigation
	<p>interest.</p> <p>External Fraud</p> <p>Forgery of NCR registration certificates by unregistered credit providers; Forgery of NCR banking details by fraudsters;</p>	<p>- Whistle blowing policy in place;</p> <p>- Qualifications and skills audit conducted annually.</p>

PART D: Technical Indicator Descriptions (TIDs)

Items	Guide
Indicator title	Number of consumer education and awareness campaigns and activities conducted on consumer rights.
Definition	A measuring tool relating to the consumer education and awareness campaigns and activities conducted on consumer rights.
Source of data	Consumer education and awareness reports
Method of calculation or assessment	Quantitative - Simple count of consumer educations and awareness campaigns and activities.
Means of verification	Consumer education and awareness reports
Assumptions	Cooperation by stakeholders and consumers in the education and awareness campaigns.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> Target for women: N/A Target for youth: N/A Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> Contribution to spatial transformation priorities: N/A Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	To increase the level of public awareness on consumer rights.
Indicator responsibility	Manager: Education & Communications

Items	Guide
Indicator title	Number of consumer education and awareness campaigns and activities conducted on deceptive and unfair practices.
Definition	A measuring tool relating to the consumer education and awareness campaigns and activities conducted on deceptive and unfair credit practices.

Source of data	Consumer education and awareness reports
Method of calculation or assessment	Quantitative - Simple count of consumer educations and awareness campaigns and activities.
Means of verification	Consumer education and awareness reports
Assumptions	Cooperation by stakeholders and consumers in the education and awareness campaigns.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	To increase the level of public awareness on deceptive and unfair credit practices.
Indicator responsibility	Manager: Education & Communications

Items	Guide
Indicator title	% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.
Definition	Measuring tool to improve efficiency in the registration process of persons and entities.
Source/collection of data	Reports from the registration's ICT system.
Method of calculation	<p>Quantitative</p> <p>Total number of persons and entities registered within 7 business days of receipt of signed proposed conditions and payment of registration fees.</p> <p>_____ X 100</p> <p>Total number of persons and entities registered</p> <p>= Total percentage (%) of new persons and entities registered</p>
Means of verification	Reports on persons and entities registered (Reports include the number of days taken to register)
Assumptions	An improved and efficient ICT system and/or increased capacity.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A

Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	To improve efficiencies in registration which may lead the establishment of new SMMEs and creation of jobs
Indicator responsibility	Manager: Registrations

Items	Guide
Indicator title	Number of investigations conducted on credit providers relating to total cost of credit to ensure compliance with regulations
Definition	A measuring tool relating to investigations conducted on credit providers pertaining to the total cost of credit.
Source/collection of data	<ul style="list-style-type: none"> • Compliance monitoring reports; • Investigation reports; • Audit reports; and • Complaints evaluation reports.
Method of calculation	Quantitative (Simple count of total number of investigations conducted).
Means of verification	<ul style="list-style-type: none"> • Investigation reports • Compliance monitoring reports; • Audit reports; and • Complaints evaluation reports.
Assumptions	Cooperation from consumers and registrants; and consumer interest to lodge complaints.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Improved compliance with the Act and its regulations by credit providers.
Indicator responsibility	Managers: Investigations & Enforcement, Complaints and Credit Provider Compliance

Items	Guide
Indicator title	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance with regulations relating to the total cost of credit by credit providers.

Definition	A measuring tool relating to enforcement action taken against credit providers for non-compliance with the regulations relating to the total cost of credit.
Source of data	Enforcement tools (Issued compliance notices/Instructional letters/referrals to the NCT and the Courts/Settlements).
Method of calculation or assessment	Quantitative Total number of enforcement actions taken. _____ X 100 Total number of investigations which identified non-compliance with the regulations relating to the total cost of credit by credit providers = Total percentage (%) of enforcement action taken.
Means of verification	Enforcement tools (Issued compliance notices/Instructional letters/ referrals to the NCT and the Courts/Settlements).
Assumptions	There will be sufficient and efficient resources
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Quantitative (Percentages and numbers).
Reporting cycle	Annually
Desired performance	Improved compliance with the Act and consumer redress.
Indicator responsibility	Managers: Investigations & Enforcement, Complaints and Credit Provider Compliance

Items	Guide
Indicator title	Impact study report on the effect of total cost of credit including credit life insurance regulations on consumers and submit a report to the dtic.
Definition	A measuring tool to monitor the level of compliance by credit providers to the provisions of the Act.
Source of data	Credit agreements Investigation reports Credit insurance policies
Method of calculation or assessment	Qualitative (A report on the study conducted)

Means of verification	Impact study report
Assumptions	There will be sufficient and efficient resources
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Qualitative (report)
Reporting cycle	Annually
Desired performance	Improved compliance with the Act and consumer redress.
Indicator responsibility	Managers: Investigations & Enforcement, Complaints and Credit Provider Compliance

Items	Guide
Indicator title	Number of investigations conducted on credit providers relating to reckless lending and/or collection of prescribed debt.
Definition	A measuring tool relating to investigations conducted on credit providers pertaining to reckless lending and/or collection of prescribed debt.
Source of data	<ul style="list-style-type: none"> • Compliance monitoring reports; • Investigation reports; • Audit reports; and • Complaints evaluation reports.
Method of calculation	Quantitative (Simple count of total number of investigations conducted).
Means of verification	<ul style="list-style-type: none"> • Investigation reports • Compliance monitoring reports; • Audit reports; and • Complaints evaluation reports.
Assumptions	Cooperation from consumers and registrants; and consumer interest to lodge complaints.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A t
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly
Desired performance	Improved compliance with the Act and its regulations by credit providers.
Indicator responsibility	Managers: Investigations & Enforcement, Complaints and Credit Provider Compliance

Items	Guide
Indicator title	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance relating to reckless lending and/or collection of prescribed debt by credit providers.
Definition	A measuring tool relating to enforcement action taken against credit providers for non-compliance relating to reckless lending.
Source of data	Enforcement tools (Issued compliance notices/Instructional letters/ referrals to the NCT and the Courts/Settlements).
Method of calculation or assessment	Quantitative Total number of enforcement actions taken. _____ X100 Total number of investigations which identified non-compliance relating to reckless lending. = Total percentage (%) of enforcement actions taken
Means of verification	Enforcement tools (Issued compliance notices/Instructional letters/ referrals to the NCT and the Courts/Settlements).
Assumptions	There will be sufficient and efficient resources
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> Target for women: N/A Target for youth: N/A Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> Contribution to spatial transformation priorities: N/A Spatial impact area: N/A
Calculation type	Quantitative (Percentages and numbers).
Reporting cycle	Annually
Desired performance	Improved compliance with the Act and consumer redress.
Indicator responsibility	Managers: Investigations & Enforcement, Complaints and Credit Provider Compliance

Items	Guide
Indicator title	Number of investigations conducted on hosting credit bureaus relating to accuracy, quality, data security/protection, the removal of paid up judgements and adverse consumer credit information.
Definition	A measuring tool relating to investigations conducted on credit bureaus.
Source of data	<ul style="list-style-type: none"> Compliance monitoring reports.

	<ul style="list-style-type: none"> Investigation reports Audit reports Complaints evaluation reports (closure letters).
Method of calculation or assessment	Quantitative (simple count of total number of investigations conducted)
Means of verification	<ul style="list-style-type: none"> Compliance monitoring reports. Investigation reports Audit reports Complaints evaluation reports (closure letters).
Assumptions	Co-operation by credit bureaus and consumers
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> Target for women: N/A Target for youth: N/A Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> Contribution to spatial transformation priorities: N/A Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Annually
Desired performance	Improved compliance with the Act by credit bureaus
Indicator responsibility	Manager: Credit Bureau Compliance

Items	Guide
Indicator title	Enforcement action taken by the end of the financial year on a percentage (%) of investigations which identified non-compliance by credit bureaus.
Definition	A measuring tool relating to enforcement action taken against credit bureaus for noncompliance with the Act.
Source of data	Enforcement tools (issued compliance notices/Instructional letters/ referrals to the NCT and the Courts/Settlements)
Method of calculation or assessment	<p>Quantitative</p> <p>Total number of enforcement actions taken</p> <p>_____ X 100</p> <p>Total number of investigations which identified non-compliance with the Act</p> <p>= Total percentage (%) of enforcement action taken</p>
Means of verification	Enforcement tools (issued compliance notices/ instructional letters/ referrals to the NCT and the Courts/Settlement)
Assumptions	There will be sufficient and efficient resources

Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Quantitative (Percentages and numbers)
Reporting cycle	Annually
Desired performance	Improved compliance with the Act
Indicator responsibility	Manager: Credit Bureau Compliance

Items	Guide
Indicator title	% of evaluated credit bureau annual compliance reports certified by an independent auditor for their previous financial year.
Definition	A measuring tool relating to the evaluation of credit bureau annual compliance reports certified by an independent auditor for their previous financial year.
Source of data	<ul style="list-style-type: none"> • Credit bureau annual compliance reports certified by an independent auditor for the previous financial year. • Evaluation reports
Method of calculation or assessment	<p>Number of annual compliance reports evaluated.</p> $\frac{\text{Number of annual compliance reports evaluated}}{\text{Total number of annual compliance reports received}} \times 100$ <p>= Total percentage (%) of evaluated annual compliance reports</p>
Means of verification	Evaluation reports
Assumptions	Sufficient and efficient resources to evaluate the annual compliance reports.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Quantitative and Qualitative (Percentages and numbers).
Reporting cycle	Quarterly and Annually
Desired performance	Improved compliance with the Act.
Indicator responsibility	Manager: Credit Bureau Compliance

Items	Guide
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Indicator title	Enforcement action taken on a percentage (%) of credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year.
Definition	A measuring tool relating to enforcement action taken on credit bureaus which were found to be non-compliant after the evaluation of annual compliance reports certified by an independent auditor for their previous financial year.
Source of data	Enforcement tools (Issued compliance notices/Instructional letters/ referrals to the NCT and the Courts/Settlements).
Method of calculation or assessment	<p>Number of enforcement actions taken.</p> <hr/> <p>_____ X 100</p> <p>Total number of credit bureaus which were found to be non-compliant</p> <p>= Total percentage (%) of enforcement action taken.</p>
Means of verification	Enforcement tools (Issued compliance notices/Instructional letters/ referrals to the NCT and the Courts/Settlements).
Assumptions	Sufficient and efficient resources to evaluate the annual compliance reports.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Quantitative and Qualitative (Percentages and numbers).
Reporting cycle	Annually
Desired performance	Improved compliance with the Act.
Indicator responsibility	Manager: Credit Bureau Compliance

DTIC Joint Key Performance Indicators: Technical Indicator Descriptions (TIDs)

Items	Guide
Indicator title	A percentage of the procurement plan dedicated to increasing and diversifying localisation through government and private sector procurement and promotion of beneficiation.
Definition	Measuring tool to increase and diversify localisation through government and private sector procurement
Source/collection of data	System generated reports
Method of calculation	<p>Quantitative</p> <p>The value of orders issued</p>

	_____ X 100 Total of procurement spent = Total percentage (%) of procurement spent
Means of verification	System generated reports
Assumptions	Sufficient South African owned service providers/companies
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Increased localisation opportunities
Indicator responsibility	Manager: Procurement

Items	Guide
Indicator title	Signed MOU with one regulator in one SADC country for regulatory information sharing, capacity building and to open market opportunities to registrants.
Definition	Refers to MOU entered into with one regulator in one SADC country.
Source of data	From the relevant mandate of regulators entering into MOU.
Method of calculation or assessment	Quantitative and qualitative
Means of verification	Signed MOU
Assumptions	All regulators will deliver as agreed in the MOU
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Knowledge of market opportunities for registrants.
Indicator responsibility	Senior Legal Advisor: Executive

Items	Guide
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Indicator title	Number of workshops conducted on developmental credit.
Definition	Improving awareness on developmental credit
Source of data	Reports on workshops conducted.
Method of calculation or assessment	Quantitative - Simple count of workshops conducted.
Means of verification	Reports on workshops conducted.
Assumptions	Cooperation by stakeholders.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Improve appetite for, and access to developmental credit in order to support growth of South African economy.
Indicator responsibility	Manager: Credit Provider Compliance

Items	Guide
Indicator title	A research report with recommendations on regulatory impediments.
Definition	A measuring tool to identify regulatory impediments and make recommendations.
Source of data	Interviews/meetings with stakeholders.
Method of calculation or assessment	Quantitative and qualitative
Means of verification	Research report
Assumptions	Cooperation by stakeholders.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Improve appetite for, and access to developmental credit in order to support growth of South African economy.

Indicator responsibility	Manager: Statistics and Research
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Items	Guide
Indicator title	Participation and consider applications in the IFWG to test products to facilitate entry into the South African credit market.
Definition	Contribution into intergovernmental actions in terms of the district development model.
Source of data	Attendance registers, minutes and application for registration with the NCR.
Method of calculation or assessment	Qualitative
Means of verification	Attendance registers, minutes and application for registration with the NCR.
Assumptions	Applications by Fintech companies.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	To facilitate entry into the credit market by start-ups in order to contribute into intergovernmental action in implementing the district development model.
Indicator responsibility	Senior Legal Advisor: Executive

Items	Guide
Indicator title	A percentage of the procurement spent on majority women owned companies.
Definition	Measuring tool to promote and empower designated groups
Source/collection of data	System generated reports
Method of calculation	<p>Quantitative</p> <p>The value of orders issued.</p> <p>_____ X 100</p> <p>Total of procurement spent</p> <p>= Total percentage (%) of procurement spent</p>

Means of verification	System generated reports
Assumptions	Sufficient women owned service providers/companies
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: 40% women owned service provider/companies • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Increased empowerment of designated groups
Indicator responsibility	Manager: Procurement

Items	Guide
Indicator title	Number of NCA training sessions for women owned law firms conducted.
Definition	Measuring tool to provide technical support and enabling opportunities.
Source/collection of data	Attendance registers
Method of calculation	Simple count (total number of training sessions)
Means of verification	Attendance registers
Assumptions	Attendance and interest by women owned law firms
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Empowerment of designated groups
Indicator responsibility	Managers: Investigations and Enforcement, Debt Counselling, Credit Provider Compliance and Credit Bureau Compliance.

Items	Guide
Indicator title	A certificate on the recycling of used working paper and produce a report.

Definition	A measuring tool to monitor recycling of used working paper.
Source of data	A report on the recycling of used working paper
Method of calculation or assessment	Quantitative
Means of verification	A certificate and a report
Assumptions	Availability of used working paper and a service provider to collect and recycle the paper.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Contribution to greening the economy.
Indicator responsibility	Manager: Human Resources

Items	Guide
Indicator title	% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.
Definition	Measuring tool to improve efficiency in the registration process of persons and entities.
Source/collection of data	Reports from the registration's ICT system.
Method of calculation	<p>Quantitative</p> <p>Total number of persons and entities registered within 7 business days of receipt of signed proposed conditions and payment of registration fees.</p> $\frac{\text{Total number of persons and entities registered within 7 business days of receipt of signed proposed conditions and payment of registration fees}}{\text{Total number of persons and entities registered}} \times 100$ <p>= Total percentage (%) of new persons and entities registered</p>
Means of verification	Reports on persons and entities registered (Reports include the number of days taken to register)
Assumptions	An improved and efficient ICT system and/or increased capacity.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A

Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	To improve efficiencies in registration which may lead the establishment of new SMMEs and creation of jobs
Indicator responsibility	Manager: Registrations



STRATEGIC PLAN

2021|22 – 2025|26

Abbreviations

AA	Accounting Authority
ACFTA	African Continental Free Trade Area
ADRA	Alternative Dispute Resolution Agent
AGSA	Auditor-General of South Africa
ARMC	Audit and Risk Management Committee
AVE	Advertising Value Equivalence
BBBEE	Broad-Based Black Economic Empowerment
BCM	Business Continuity Management
BCP	Business Continuity Planning
CBA	Credit Bureau Association
CBDA	Cooperative Banks Development Agency
CBM	Credit Bureau Monitor
CCMR	Consumer Credit Market Report
CCI	Consumer Credit Index
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIF	Credit Industry Forum
CIPC	Companies and Intellectual Property Commission
COO	Chief Operations Officer
COTII	Council of Trade and Industry Institutions
COVID-19	Novel Coronavirus
dtic	Department of Trade, Industry and Competition
DPSA	Department of Public Service and Administration
EE	Employment Equity
EXCO	Executive Committee
FIC	Financial Intelligence Centre
FSCA	Financial Sector Conduct Authority
GDP	Gross Domestic Product
ICCR	International Committee on Credit Reporting
ICT	Information Communication and Technology
MFSA	Microfinance South Africa
MTSF	Medium Term Strategic Framework

MoU	Memorandum of Understanding
NCA	National Credit Act
NCAA	National Credit Amendment Act
NCC	National Consumer Commission
NCR	National Credit Regulator
NCT	National Consumer Tribunal
NDP	National Development Plan
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
PA	Prudential Authority
PDA	Payment Distribution Agent
PFMA	Public Finance Management Act
SACCRA	South African Credit and Risk Reporting Association
SAPS	South African Police Service
SARB	South African Reserve Bank
SADC	Southern African Development Community
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Enterprises
SMME	Small, Medium and Micro Enterprises
SMS	Short Message Service
UIF	Unemployment Insurance Fund
WHO	World Health Organization
4IR	Fourth Industrial Revolution

Definitions used to measure performance

Effective	-	Successful in producing a desired or intended result
Enhance	-	Improve the quality of performance
Support		To give assistance
Facilitate	-	To make an action or process easier

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Executive Authority Statement

*This Strategic Plan of the **National Credit Regulator** has been prepared by the management for consideration by the Executive Authority and tabling in Parliament. The Annual Performance Plans (APP) of public entities identify the outputs, output indicators and targets that an entity aims to achieve in the new financial year. The Executive Authority is responsible to ensure the APP is aligned with the Strategic Plan, the institution's mandate and government's priorities and to provide direction on the development and implementation of strategic priorities and policies.*

STRY AND COMPETITION

The Covid-19 pandemic changed the landscape within which DTIC-entities operate and they are therefore expected to adjust their operations to address the new environment and new priorities. There is an urgent need to boost levels of economic growth and economic recovery, support transformation and build a capable state.

In particular, the APP for the 2021/22 financial year will need to reflect the policy priorities set out in Budget Vote statements tabled in Parliament during this Administration and those that arise from:

- The Economic Recovery and Reconstruction Plan tabled in Parliament in October 2020 by President Ramaphosa.
- The priorities set out in the 2021 State of the Nation Address
- The new performance compacts between members of the Executive and the Presidency signed in November 2020; and the
- New District Development Model as an integration of development efforts at local level.

This APP is tabled and updates to the Plan – when these are effected – will be tabled in Parliament in due course, taking account of the above.

As the practical means to ensure alignment between APPs and policy priorities, the Annual Performance Plan for the DTIC itself has sets out the requirement to ensure integration between the work of the department and all public entities that report to it. Seven new Joint-Indicators (J-KPIs) have been developed for the DTIC that contain the major policy priorities and these are expected to be included in the work of the Regulator, with progress against these to be reported to the Ministry on a quarterly basis.

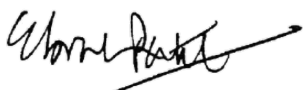
The NCR will be expected to show how, within its legal mandate, it has contributed to the achievement of the outcomes for the following seven Joint Indicators (details of which are contained in more detail in the APP of the department itself):

- Joint Indicator 1: Integrated Support to Drive Industrialisation

- Joint Indicator 2: Contribution to the development of an AfCFTA Export Plan
- Joint Indicator 3: Investment Facilitation and Growth
- Joint Indicator 4: Development Model and Spatial Equity
- Joint Indicator 5: Actions to Promote Transformation
- Joint Indicator 6: The Green Economy and Greening the Economy
- Joint Indicator 7: Strengthening and Building a Capable State

In this way, the combined efforts of all public entities will begin to be aligned to the national priorities in a more explicit manner. The Joint-Indicators cover, among others, the work of sector masterplans, initiatives to boost levels of investment and localisation in the economy, expanding trade within the continent, enabling better local economic development, supporting the growth of new industries (in the green economy and through beneficiation) and building a capable state. In respect of Joint-Indicator 7 for example, all public entities will be required to review their procedures, timeframes for delivery, forms to be filled in and public communication of services to simplify these, make processes expeditious where possible, remove unnecessary red-tape where these exist and make it easier for users to access services.

This APP is therefore not about many new objectives but rather on a new way of implementation, with the focus on integration, to enhance the development impact of the work. I therefore endorse the work to align the APP of the Regulator with the national priorities and accordingly table the APP for the Regulator in accordance with the request by the Speaker.



EBRAHIM PATEL

MINISTER OF TRADE, INDUSTRY AND COMPETITION

Date: 31 March 2021



Accounting Officer Statement

OVERVIEW OF THE NCR AND ITS VISION

The NCR's mandate entails promoting a fair and non-discriminatory marketplace for access to consumer credit, promoting responsible credit granting and the prohibition of reckless credit granting as well as protecting consumers through enforcement of the National Credit Act (No. 34 of 2005).

The NCR is driven by the imperatives of advancing the social and economic welfare of South Africans, and advancing black economic empowerment and ownership within the consumer credit industry.

Going forward NCR will have to find new ways of delivering its mandate on the back of the COVID-19 pandemic.

Overall focus during the previous planning period

The strategic focus areas for the previous planning period included:

- Education and awareness campaigns on deceptive and unfair practices, and consumer rights;
- Monitoring and enforcement programmes in particular in relation to the new registrants. The National Credit Amendment Act and its Regulations make provision for all credit providers to be registered with the NCR and the threshold was reduced to R1,00;
- Monitoring and enforcement programmes in relation to collection and sale of prescribed debts and credit providers to be encouraged to refrain from doing this;
- Monitoring compliance with the Affordability Assessment Regulations;
- Monitoring compliance with the Regulations regarding the cost of credit and credit life insurance; and
- Improved publication on the work undertaken by the NCR and its success stories.
- Preparation for the implementation of Debt Intervention in terms of the National Credit Amendment Act 7 of the 2019.

These focus areas were aligned to the strategic objectives and core themes of the dtic. Measurable performance indicators as well as an analysis of external and internal factors that could affect the ability to achieve our goals were clearly identified. Strategic risks, as well as possible mitigating controls were also identified

Key accomplishments during previous planning period

Key accomplishments during the 2019/20 financial year include the following:

- **Good corporate governance:** As a result of the prudent financial management and corporate governance practiced, the NCR achieved a clean audit for the 2019/20 financial year (and also for 2014/15, 2015/16, 2017/18 and 2018/19). We submitted the Three-year Annual Performance Plan for 2020/21 – 2022/23, the Five-year Strategy Plan for 2020/21 – 2024/25 and the Annual Report 2019/20 in line with Parliamentary timelines. These clean audits were coupled with achievements/activities that made a positive impact in the credit industry.
- **Consumer education and community outreach:** The NCR conducted a total of **620** educational activities. These activities comprised workshops, exhibitions/outside broadcasts (OBs), industrial theatre, mall activations, meetings, media interviews, imbizos (community outreach programmes) conducted in rural areas in partnership with local tribal authorities, local municipal authorities and the provincial consumer protection offices. From the **620** educational activities, **120** activities were focused on creating awareness on misleading and deceptive practices in the credit industry to protect consumers from abuse and unfair practices, address over-indebtedness and promote consumer rights. A total of 60 stakeholder engagements, **428** radio interviews and **47** TV interviews were held.

A total of **28** high schools and tertiary institutions benefited from the NCR and CBA Schools Financial Literacy programme in 2019/20. These are in Gauteng, KwaZulu-Natal and Western Cape Provinces. The main topics discussed included the role of the NCR, over-indebtedness, access to credit, cost of credit and credit information. The programme was delivered in an industrial theatre format.

- **Collaboration and co-operation:**
 - **COTII**
The NCR participated in quarterly cluster meetings of the Council of Trade and Industry Institutions (COTII). These meetings facilitate information sharing and the pooling of resources to work together as regulators.
 - **ICT Project**

The NCR and NCT are in the process of developing an ICT system, in preparation for the implementation of the National Credit Amendment Act (NCAA) relating to Debt Intervention. This involves developing applications software for the NCR, which will enable business processes for processing consumer applications in line with NCAA. The procurement process to acquire servers, memory, storage and network infrastructure, which will host the applications software, is in progress.

South African Credit and Risk Reporting Association (SACCRA) and Credit Bureau Association (CBA):

The NCR is working closely in partnership with SACRRA and the CBA to implement regulation 19(13). This regulation requires credit providers to submit and update credit information in the manner prescribed by the NCR.

The NCR, working with SACRRA and the CBA, developed a shortened version of the data submission layout, which must be used to submit credit information. The NCR also prescribed the Data Transmission Hub, co-owned by SACRAA and CBA, as the channel through which information must be submitted and updated as required by regulation 19(13).

The Hub has been in existence in the credit industry for many years, and is an instrument through the credit industry drove credit information reporting and data sharing. The NCR considered it prudent and cost-effective to prescribe this instrument as it was already in use by wide-ranging participants in the credit market, and general financial services industry. It would have counter-productive and costly to both the NCR and the credit industry to come up with a new instrument

- **The National Register of credit agreements**

This register will contain information of all credit agreements in the country and is expected to become a useful tool in understanding, monitoring and measuring the credit landscape.

- **International co-operation:**

African Dialogue on Consumer Protection: The NCR is a member of the African Dialogue on Consumer Protection, facilitated by the Federal Trade Commission of the United States, to enable consumer protection regulators on the African continent to collaborate, share information and developing trends in their regulated markets. The NCR made a presentation to a webinar of the African Dialogue in July 2019 on disclosures and transparency in the South African credit market. The NCR also shared its consumer education awareness material for the 2019 festive season with the African Dialogue.

- **International Committee on Credit Reporting (ICCR):** The NCR is a member of the ICCR, a global standard setting body for credit reporting. The ICCR meets regularly in different countries. The NCR is collaborating with the ICCR and the World Bank on the use of alternative data and automation in credit reporting.
- **Enforcement:** The NCR defended and continues to defend the rights of consumers in various court cases. There were notable judgements (two of which set precedents) that were handed down in favour of the NCR by either the NCT or the Courts:
 - **NCR vs Standard Bank:** This matter was previously referred to the High Court by the NCR and it relates to the application of the common law set-off on credit agreements subject to the NCA. The Court handed down judgment in favour of the NCR, with costs in this period. The court found that, in the context of credit agreements, there can only be a set-off where a consumer has given written authorisation. The common law set-off is applied when two persons owe each other and the debts are extinguished by setting them off against each other. The banks apply this by transferring funds deposited into consumers' accounts to settle debts on credit agreements without the consumers' authorisation. Banks are now required to obtain permission from consumers before transferring funds from consumers' accounts to pay amounts due under credit agreements.
 - **Aristoscan (trading as JMK Cash Loans) vs NCR:** The NCT found JMK Cash Loans guilty of various NCA contraventions. Amongst these contraventions was the use of child support and foster care social grants as consumer income in the calculation of affordability assessments. It further stated that child support and foster care social grants are to be used solely for the benefit of the child or dependents in question. Such grants may not be regarded as being a consumer's income. The case set an important precedence and impacts on the way affordability assessments must be conducted.
- **Referrals:** The NCR referred various companies to the NCT. A total of **64** matters were referred to the National Consumer Tribunal (NCT). The fines imposed by the NCT on all matters referred by the NCR for the 2019/20 financial year amount to **R5.69 million** in total.
- **Raids:** The NCR together with the South African Police Service (SAPS) conducted raids on small credit providers that illegally retain consumers' identity documents and other cards. The raids were conducted in **7** Provinces. A total of **2 601** personal items of consumers were recovered and **10** criminal cases opened.
- **Registration:** The NCR focused on registering small credit providers (micro lenders). The NCR went to communities to encourage micro lenders to register in the Provinces of Gauteng, Eastern Cape and Mpumalanga. These outreach programmes has resulted in a substantial increase in the registration of previously unregistered credit providers. Additional **1416** new credit providers were registered with the NCR

in 2019/20 financial year. These additional registrations created small businesses, generating employment opportunities.

- **Service delivery:** The new call centre management system went live during 2019/20 and improved not only the efficiency of the call centre, but service delivery to consumers. Enhanced features include amongst others automated call distribution, call monitoring and real time and historical reporting. These new features resulted in increased customer satisfaction as, for example, calls are routed directly to an agent instead of multiple transfers, this allows ease of access to the NCR, improves call quality and helps gain the consumers trust. The monitoring and reporting enhancement makes it possible to identify training needs in order to continuously improve service delivery.
- **Statistics and research:** The NCR collated, analysed and disseminated data about consumer credit information submitted by credit providers and credit bureaus through statutory returns. We published our flagship reports namely the Consumer Credit Market Report (CCMR) and Credit Bureau Monitor (CBM) quarterly throughout 2019/20. The reports were used and quoted extensively by a variety of stakeholders, including media, government, industry analysts, investors, researchers and other decision-makers. The statistical information assists the NCR in monitoring trends and developments in the consumer credit industry.
- **Consumer redress:** As a result of NCR intervention through compliance monitoring, complaints evaluation and enforcement, **approximately R200 million** refunded to consumers/account adjustments/debt written off.
- **Communication and media:** In the 2019/20 financial year, the NCR achieved media coverage worth about R202.9 million in calculated advertising value equivalence (AVE) rates. We publicised important developments, issued alerts and provided crucial advice to consumers. We ensured that enforcement is visible as this can serve as a deterrent and create consumer awareness. While NCRs media releases provided prudent advice to consumers on, amongst others, card retention by unscrupulous credit providers and to avoid panic buying in response to the COVID-19 pandemic, they ensured that consumers and the industry alike were kept well-informed of its enforcement action. Examples of media releases:
 - Volkswagen Financial Services South Africa (Pty) Ltd unlawful “on the road” fees;
 - Aristoscan cc. guilty of reckless lending as support and foster care grants cannot be used as consumer’s income to apply for credit;
 - Asia Lamara’s registration as a debt counsellor cancelled due to serious contraventions of the NCA;
 - Shoprite granted credit recklessly to consumers
 - High Court rules in favour of the NCR against Standard Bank that set-off does not apply to credit agreements subject to the National Credit Act

Strategic focus for the period ahead

In planning for the period ahead, the NCR will align its activities with The Economic Reconstruction and Recovery Plan that was announced by the President in October 2020, priorities set out in the 2021 State of the Nation Address, and the new District Development Model.

The core elements of the Economic Reconstruction and Recovery Plan include priority intervention for economic recovery, enabling conditions for growth, macroeconomic framework and institutional arrangements. In his fifth State of the Nation Address in February 2021, the President's priorities included implementation of economic reforms to create sustainable jobs and drive inclusive growth.

The appropriate intervention for the NCR will be in the area of employment stimulus for job creation and support to livelihoods. Focus on employment will encourage enhanced inclusive growth and thereby reduce poverty.

The main purpose of the National Credit Act 34 of 2005 ("the Act") is *"to promote a fair and non-discriminatory marketplace for access to consumer credit"* The Act provides for the promotion and advancement of the social and economic welfare of South Africans.

In achieving the above, the NCR has implemented and is in the process of implementing the following Institutional Programmes, Joint Key Performance Indicators; and projects in collaboration with other key stakeholders in the credit industry:

Institutional Programme Performance Information

Improved Regulatory Environment

The purpose of this programme is to promote economic growth through job creation, integration and transformation.

This will entail carrying out consumer education and awareness campaigns and activities in order to improve consumer protection. In addition, efficiency in registration of persons and entities will be improved through quick turnaround times to facilitate job opportunities.

Enforcement of the NCA

The purpose of this programme is to ensure that enforcement action is taken on contraventions of the Act.

Monitoring and enforcement: The NCR will deploy various tools to monitor and enforce the NCA with special focus on the protection of those consumers who are regarded as the most vulnerable.

This will be implemented through conducting investigations, raids, compliance monitoring, receiving and resolving complaints regarding alleged contraventions of the NCA and taking enforcement action where applicable.

Emphasis will be on total cost of credit, reckless lending, compliance of credit bureaus in terms of data security, removal of adverse consumer credit information and paid-up judgements.

The NCR will also support the Economic Recovery Plan, 2020, and the seven new joint indicators, which are the implementation plans aligned to the NDP.

The NCR's objectives are set out in the National Credit Act. As an adjudicative body it can determine the outcomes of these objectives by aligning its adjudication to meet the objectives of the NDP and the Dtic. The seven new joint indicators are:

- Joint indicator 1: Integrated support to drive industrialization;
- Joint indicator 2: Contribution to the development of an AfCFTA Export Plan;
- Joint Indicator 3: investment facilitation and growth;
- Joint Indicator 4: Development model spatial equity;
- Joint Indicator 5: to promote transformation;
- Joint Indicator 6: The Green Economy and Greening the Economy; and
- Joint Indicator 7: Strengthening and Building a Capable State.

The performance progress with regards to all seven new joint indicators will be reported quarterly to the dtic.

Projects: Collaboration and cooperation

- **MOUs with other regulators:**

The NCR will continue to scan the environment and engage with local and international regulators to further understand the trends and developments in the credit industry. Formal MoUs have been signed with most of the local regulators. Other MoUs will be entered into with other key stakeholders.

- **Credit Industry Forum:**

Established by the NCR, the CIF will continue to meet quarterly. The CIF comprises credit industry associations (for credit providers, credit bureaus, debt counsellors and payment distribution agencies) and consumer representatives. Meetings are held to identify and address operational

difficulties that come with the implementation of the NCA on a consensus basis.

- **Inter-governmental Innovation Hub:**

The NCR is part of the inter-governmental Innovation Hub that was launched during 2019 to test new products that financial players want to introduce to market. This is a hub that was created through the collaborative effort amongst several South African financial sector regulators, including the FIC, FSCA, NCR, SARB and SARS, working together under the Intergovernmental Fintech Working Group (IFWG). The purpose of the Innovation Hub is to demystify the regulatory landscape, by providing a space for safe testing of innovative ideas, and actively advance innovation in financial services.

- **World Bank Project:**

In response to the Fourth Industrial Revolution (4IR), the NCR is collaborating with the World Bank for the subsidisation of smaller players to register consumer credit information on credit bureau databases.

Bringing smaller players on board will enhance the quality, accuracy and real-time availability of consumer information for the benefit of consumers and credit providers.

- **Establishment of a National Register of Credit Agreements:**

The NCR was requested by the Minister of Trade, Industry and Competition to establish the National Credit Register in partnership with the South African Reserve Bank, Prudential Authority, Financial Intelligence Centre and Financial Sector Conduct Authority. The regulators established a Steering Committee to provide strategy leadership and management of the project. The Steering Committee established four work streams on stakeholder relations, legal, information technology and data to work on different aspects of the Register. Much of the work is still in progress, including the proposed legal framework for the Register.

Acknowledgements and appreciation

I would like to thank the NCR executive team, management and personnel for their dedication and valuable contribution throughout the year. Their excellent work makes it possible for the NCR to achieve its mission and fulfil its mandate.

My sincere appreciation also goes to the members of the Audit and Risk Management Committee for providing oversight. I would also like to express my gratitude to the Minister of Trade, Industry and Competition, Honourable

Mr Ebrahim Patel; the dtic; the Portfolio Committee on Trade and Industry and the Select Committee on Trade and International Relations for their guidance and support.



Nomsa Motshegare

Chief Executive Officer

National Credit Regulator

Official sign-off

It is hereby certified that this Strategic Plan:

- Was developed by the management of the National Credit Regulator under the guidance of Mrs N Motshegare;
- Takes into account all the relevant policies, legislation and other mandates for which the National Credit Regulator is responsible; and
- Accurately reflects the Impact and Outcomes which the National Credit Regulator will endeavour to achieve over the period 2021/2022 – 2025/26 period.

Signature



Lesiba Mashapa: Company Secretary

Signature



Josephine Meyer: Chief Financial Officer



Obed Tongoane: Deputy Chief Executive

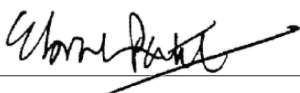
Signature:



Nomsa Motshegare: Accounting Officer

Approved by:

Signature:



Mr Ebrahim Patel: Executive Authority

PART A: Our Mandate

1. Constitutional Mandate

Regulation of the consumer credit market is one of the constitutional imperatives advocated by the Constitution of the Republic of South Africa Act, 1996.

Through credit regulation, consumer protection can be realised, as provided for in Part A of Schedule 4 of the Constitution. This mandate and responsibility has been entrusted upon the Department of Trade, Industry and Competition (the dtic).

In 2003, the dtic finalised the Policy Framework for Consumer Credit and went on to develop the National Credit Act (No. 34 of 2005) “to promote and advance the social and economic welfare of South Africans, promote a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible credit market and industry, and to protect consumers.”

The National Credit Regulator was established by the National Credit Act which came into effect on 1 June 2007.

2. Legislative and policy mandate

In terms of the Public Finance Management Act, the NCR is a Schedule 3A public entity. It is tasked with carrying out education, research, policy development, registration of industry participants, investigation of complaints, and ensuring the enforcement of the National Credit Act (NCA).

The purpose of the National Credit Act (No. 34 of 2005) is to:

- Promote a fair and non-discriminatory marketplace for access to consumer credit and for that purpose to provide for the general regulation of consumer credit and improved standards of consumer information;
- Promote black economic empowerment and ownership within the consumer credit industry;
- Prohibit certain unfair credit and credit-marketing practices;
- Promote responsible credit-granting and use and for that purpose prohibit reckless credit-granting;
- Provide for debt reorganization in cases of over- indebtedness;
- Provide for registration of credit bureaus, credit providers, debt counsellors, payment distribution agents and alternative dispute resolution agents;
- Establish national norms and standards relating to consumer credit;
- Promote a consistent enforcement framework relating to consumer credit;
- Establish the NCR and the National Consumer Tribunal (NCT); and

- Promote and advance the social and economic welfare of South Africans, promote a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible credit market and industry.

The NCR enforces the provisions of the NCA by:

- Promoting informal resolution of disputes between consumers and credit providers, credit bureaus and/or debt counsellors;
- Receiving complaints regarding contraventions of the NCA;
- Monitoring the consumer credit market and industry to prevent, detect and/or prosecute contraventions;
- Investigating and evaluating alleged contraventions of the NCA;
- Issuing and enforcing compliance notices in respect of contraventions;
- Negotiating and concluding undertakings and consent orders as a means of resolving consumer complaints; and
- Referring matters to the NCT for adjudication.

The NCR is also mandated to undertake research on the nature and dynamics of the consumer credit market by:

- Implementing education and information measures to develop public awareness of the provisions of the NCA;
- Providing guidance to the credit market and industry;
- Monitoring socio-economic patterns of consumer credit activity in South Africa;
- Conducting reasonable periodic audits of registered credit providers in respect of historical data relative to credit applications and credit agreements;
- Monitoring trends in the consumer credit market and industry; and
- Reviewing legislation and regulations, and reporting to the Minister concerning matters related to consumer credit.

The NCR promotes public awareness around consumer credit matters by:

- Implementing education and information measures.

The NCR is also mandated to review legislation and report to the Minister of Trade, Industry and Competition on matters pertaining to consumer credit.

3. Institutional policies and strategies over the five year planning period

Regulation of the consumer credit market is one of the constitutional imperatives advocated by the Constitution of the Republic of South Africa Act, 1996.

Through credit regulation, consumer protection can be realised, as provided for in Part A of Schedule 4 of the Constitution. This mandate and responsibility has been entrusted upon the Department of Trade, Industry and Competition (the dtic).

In 2003, the dtic finalised the Policy Framework for Consumer Credit and went on to develop the National Credit Act (No. 34 of 2005) “to promote and advance the social and economic welfare of South Africans, promote a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible credit market and industry, and to protect consumers.”

The National Credit Regulator was established by the National Credit Act which came into effect on 1 June 2007.

On 15 March 2020 the President announced the declaration of a National State of Disaster following the World Health Organisation (WHO) declaring the COVID- 19 outbreak as a pandemic as well as measures that must be implemented in South Africa.

Since the declaration of the National State of Disaster Regulations under the Disaster Management Act, 2002, Strategic and Annual Performance Plans have been aligned to Government’s response to the Covid-19 pandemic.

4. Relevant Court Rulings

The NCR appraises the rulings and decision of the High Courts and the National Consumer Tribunal on a regular basis. The likely impact of these decisions is taken into account when crafting our strategic plans. A brief summary of recent court decisions and rulings is provided below:

No.	Matter Name	Court & Case reference number	Legal issues and status
1.	MFSA vs NCR and dti	North Gauteng High Court Case No 16746/16	This is a High Court review of Regulation 42 - limitation on fees and interest by Micro Finance South Africa (MFSA). The court ruled in favour of MFSA. The NCR and dti lodged an appeal, which was heard on 12 and 13 December 2017, and judgement was granted in favour of the dti and the NCR. MFSA applied for special leave to appeal the decision at the Supreme Court of Appeal. The application was dismissed with costs.
2.	MFSA vs NCR, dti and NCT	North Gauteng High Court Case No 64646/16	This is an application for a declaratory order regarding the interpretation of section 102 that was brought by the MFSA. MFSA would like the court to interpret the section as permitting the inclusion of initiation fees into the deferred amount for all types of credit

No.	Matter Name	Court & Case reference number	Legal issues and status
			agreements and not just the credit agreements mentioned in section 102. The matter was set down for a hearing on 29 and 30 July 2019, but was ultimately removed from the roll. The matter was heard in May 2020 and judgment granted in favour of MFSA.
3.	MFSA vs the Minister of Trade and Industry and the NCR.	North Gauteng High Court Case No 59612/17	This is a High Court review of the credit life regulations by the MFSA. The MFSA is alleging that the new prescribed cost of credit life insurance is unreasonable. The parties are still exchanging pleadings and as soon as the pleadings have closed the matter will be set down for a hearing.
4.	Bridge vs NCR	North Gauteng High Court Case No 87768/14	The Applicant has applied to the High Court for an order to declare sections 55 and 57 of the NCA, which grants the NCR powers to issue compliance notices, unconstitutional. The matter is suspended pending the finalisation of the liquidation application against Bridge.
5.	Getbucks (Proprietary) Limited vs NCR and Another	North Gauteng High Court Case No 20155/15	The NCR lodged an application to the NCT for an order that Getbucks had inter alia overcharged service fees in contravention of Regulation 44. Getbucks then applied to the High Court to declare Regulation 44 ultra vires and void and for an order interdicting the NCR from prosecuting Getbucks at the NCT based on a contravention of Regulation 44. Judgment was handed down in the High Court on 11 October 2019, in terms of which the court found that Regulation 44 was ultra vires, granted an order prohibiting the NCR from continuing with the Regulation 44 portion of the prosecution in the NCT and ordered NCR and the Minister to pay legal costs. NCR launched an application for leave to appeal on 1 November 2019. The application for leave to appeal was heard on 23 January 2020 and the court granted the application.
6.	Moneyline Financial Services (Pty) Ltd vs NCR	North Gauteng High Court Case No A440/16	Moneyline appealed the decision handed down by the NCT which ruled on 11 March 2016 that the NCR acted lawfully and procedurally correct when investigating Moneyline. The merits relate to allegations of reckless lending

No.	Matter Name	Court & Case reference number	Legal issues and status
			towards the recipients of social security grants by Moneyline. The Appeal was heard on 4 December 2018 and judgment was handed down on 30 August 2019 in terms of which the appeal was postponed and Moneyline was ordered to join the NCT as a Respondent before the appeal could proceed. Moneyline then launched an application for leave to appeal against this judgment, which application for leave to appeal was heard on 2 December 2019. Judgment was in favour of the NCR calling for the joinder of the NCT as a second respondent by Moneyline. Once the NCT has been properly joined, the merits of the matter will be heard by the court
7.	NCR vs Standard Bank	National Consumer Tribunal NCT/29041/2015/140 (1)	The NCR referred Standard Bank to the NCT for alleged reckless lending. The matter concerns the so-called “699 Satinsky” car sales scheme. The NCT dismissed the application by the NCR and the NCR is appealing the decision. The matter was heard in May 2020 and judgment was granted in favour of Standard Bank.
8.	NCR vs Nedbank	National Consumer Tribunal NCT/ 31680/2015/140 (1)	The NCR referred Nedbank to the NCT for alleged reckless lending. The matter concerns the so called “699 Satinsky” car sales scheme. The matter was resolved through a settlement agreement during December 2018 and redress was given to consumers.
9.	BMW vs NCR	National Consumer Tribunal NCT/93829/2017/56(1)	Compliance Notice was issued for the “on the road” fees. BMW objected to the compliance notice by an application to the NCT. The NCR is opposing the objection application.
10.	VW vs NCR	NCT/94937/2017/56(1)	Compliance Notice was issued for the “on the road” fees. VW objected to the compliance notice. The NCR opposed the application. The matter was heard in February 2019, and judgement was handed down in favour of the NCR. VW has appealed the decision to the High Court.
11.	Mercedes Benz vs NCR	NCT/107156/2018/56(1)	Compliance Notice was issued for the “on the road” fees. Mercedes Benz

No.	Matter Name	Court & Case reference number	Legal issues and status
			objected to the compliance notice and lodged an application to the NCT. The NCR opposed the application. Pleadings have closed and we are awaiting a hearing date.
13	Gugu's Financial Services	NCT-116709-2018-140 (1)	Prohibited conduct, reckless credit, unlawful provisions, unlawful advertising practices, overcharging, audit and refund - Settlement agreement made order of the Tribunal on 24 April 2019.
14	Tediti Trading Enterprises CC	NCT/125049/2019/57(1)	Cancellation of registration, reckless credit, overcharging cost of credit, pre-agreements and credit agreements not in prescribed form, unlawful enforcement, audit. Judgment of the Tribunal: 15 May 2019
15	Thabang	NCT/127625/2019/140(1)	Prohibited conduct, reckless credit, audit, refund, cost of credit. Settlement agreement made order of the Tribunal on 24 June 2019.
17	Standard Bank of South Africa Limited	Case No 44415/16	NCR launched declaratory order application in the PTA High Court regarding the application of common law set off on credit agreements. High Court: Declaratory Order granted in NCR's favour, with costs. High Court Judgment: 27 June 2019.

PART B: Our Strategic Focus

5. Vision

The vision of the NCR is:

“To promote a South African consumer credit market that is fair, transparent, accessible and dynamic.”

6. Mission

The mission of the NCR is:

To support the social and economic advancement of South Africa by: –

- **regulating for a fair and non-discriminatory market for access to consumer credit; and**
- **promoting responsible credit granting, use and effective redress.**

7. Values

The following four values inform everything that the National Credit Regulator does:

Service Excellence

We strive for service excellence that exceeds the expectations of all stakeholders.

Integrity

We are committed to honesty and integrity.

Empowerment

We strive for empowerment in the consumer credit market and we are also committed to employee empowerment.

Good Corporate Governance

We strive to be a model of good corporate governance at all times.

8. Situation Analysis

A high-level assessment was undertaken to identify the most significant developments in the external and internal environment that are likely to influence or impact the NCR over the next few years. The emergence of the Covid-19 pandemic and the declaration of the National State of Disaster are impacting the NCR and the implementation of its mandate. First, a brief synopsis of the state of the South African credit market is provided. An analysis of the internal and external factors impacting on the NCR is then provided.

8.1 State of the credit market

The total value of new credit extended to South African consumers as at the end of September 2020 was R129.45 billion. This represents an increase of R74.76 billion (136.72%) quarter on quarter and a decrease of R13.56 billion (9.48%) year on year.

Mortgages share of new credit granted increased from 30.18% in September 2019 to 38.05% in September 2020. Secured credit, which is dominated by vehicle finance decreased by R83.90 billion (0.19%) year-on-year and increased by R22.74 billion (110.85%) quarter-on-quarter. Mortgage credit is currently the largest credit extended per quarter with a 38.05% share of the total credit granted.

As at September 2020, the total outstanding consumer credit balances (or gross debtors' book) was R1.98 trillion, representing a quarter-on- quarter growth of 0.83% and a year-on-year of 2.42%.

The trends for outstanding balances for the quarter ended September 2020 were as follows:

- Mortgages debtors book increased by R8.82 billion (0.90%) for the quarter ended September 2020 and by R23.21 billion (2.39%) year-on-year.
- Secured credit debtors book increased by R6.05 billion (1.36%) for the quarter ended September 2020 and by R10.16 billion (2.31%) year-on-year.

- Credit facilities debtors book increased by R3.63 billion (1.41%) for the quarter ended September 2020 and by R5.92 billion (2.32%) year-on-year.
- Unsecured credit debtors book decreased by R2.33 billion (1.06%) for the quarter ended September 2020 and increased by R5.92 billion (2.78%) year-on-year.

Credit bureaus held records for 27.66 million credit-active consumers for the quarter ended September 2020; an increase of 2.59% when compared to 26.96 million in the quarter ended June 2020. The number of consumers classified in good standing increased by 57,737 to 17.02 million in the quarter ended September 2020 from 16.96 million in the quarter ended June 2020. The percentage number of consumers classified in “good standing” accounted for 61.52% of the total credit-active consumers. Due to the national lockdown that was implemented from 25 March 2020, all credit product types were impacted.

Applications for registration of credit providers are steadily increasing. As at 30 September 2020, a total of 8 202 credit providers with 35 045 branches, 44 credit bureaus, 4 payment distribution agents, 7 alternative dispute resolution agents and 1 591 debt counsellors were registered with the NCR.

8.2 External environment analysis

The following external factors affect and may continue to affect the work of the NCR:

Socio-economic conditions - According to Trade Economics, unemployment rate in South Africa increased by 7.5% from the second quarter (23.3%) to the third quarter 2020 (30.8%). It is regarded as “the highest jobless rate since quarterly data became available in 2008”. According to Statistics South Africa, total employment decreased by 616 000 or -6,0% year-on-year between September 2019 and September 2020. (Source: Quarterly Employment Statistics (QES), September 2020).

Most people lost their jobs as a result of lockdown restrictions introduced by government to limit the spread of the COVID-19 pandemic. The global recession that is being experienced worldwide is as a result of the extended lockdown, lower consumption expenditure and investment that are expected due to the coronavirus pandemic and it is anticipated that its effects will be felt for many years to come.

Recovery in the Gross Domestic Product takes longer than anticipated. According to the National Treasury “GDP growth is expected to rebound to 3.3 per cent in 2021, and to average 2.1 per cent over the medium term. Based on this projection, the economy will only recover to 2019 levels in 2024.” (Source: Economic Outlook- National Treasury, October 2020).

“.....painful lessons have been learned about a virus that has created enormous challenges for policymakers all over the world. It is clear that, in the face of the recent renewed surges in the pandemic, Covid-19 exit strategies are, more than ever, a complex process of balancing trade-offs, handling fears and maintaining trust.

In a nutshell, whereas for many other countries the original shock of Covid-19 early in 2020 interrupted a positive growth cycle, the SA economy was already extremely vulnerable when the pandemic hit.

However, as the lockdown in SA was progressively eased, high-frequency data in the second half of the year confirmed that, as the economy slowly reopened, a recovery was under way.

On the strengths of some positive assumptions about the economic outlook, SA could still expect to see the GDP growth rate rebound to about 3% in 2021.

The SARB's latest Quarterly Bulletin also predicts a recovery in personal disposable income and consumer spending in Q2 2021, which could underpin an economic revival next year. SA economy is by no means out of the woods.”(Source: The SA economy in 2021 - Looking into the crystal ball; by Raymond Parsons – 30 December 2020)

Economic growth has been supported by further easing of lockdown restrictions. “Getting back to pre-pandemic output levels, however, will take time. Sharply lower investment this year by both public and private sectors will weigh on growth prospects in coming years. GDP is now expected to grow by 3.5% in 2021 and by 2.4% in 2022.” (Source: SARB Governor Lesetja Kganyago: Statement of the Monetary Policy Committee – November 2020).

a)Regulatory framework - Changes to the Regulatory framework include: reduction of interest rates, capping of credit life insurance premiums, ongoing removal of paid up judgments and adverse listings, removal of registration thresholds for credit providers, creation of a credit information reporting framework and formal registration of payment distribution agents and alternative dispute resolution agents.

b)National Register of Credit Agreements - The NCR in collaboration with other financial sector regulators, i.e. The South African Reserve Bank, Prudential Authority, Financial Sector Conduct Authority and Financial Intelligence Centre in establishing the National Register of Credit Agreements. The purpose of the register is to monitor trends and developments in the credit market and financial stability. The NCR has entered into an MOU with the above regulators.

c)Debt intervention - The National Credit Amendment Act No. 7 of 2019 was passed by the National Assembly and signed into law by the President in August 2019. It provides debt intervention for over-indebted consumers who cannot afford or do not qualify for existing debt relief measures. The NCR is preparing to implement this Act.

d)Digitisation and increasing complexity - The credit market continues evolving due to the technology that drives it. The on-line lending, including debt relief loans and the impact of the Covid-19 pandemic has brought new regulatory challenges. Close monitoring or scrutiny

on compliance with the law will have to be done.

The NCR continues to monitor the introduction of new credit products and their marketing by credit providers, in order to curb the luring of consumers into debt traps. This in turn requires improved product knowledge and understanding by the NCR to be able to monitor their compliance with legislation effectively.

The NCR is a member of the South African Innovation Hub where new products are tested before being introduced into the markets.

e) Fourth Industrial Revolution (4IR) - As technology advances, the pace of (the resultant) change is faster and it becomes imperative to upgrade knowledge, skills, attitudes, efficiencies, systems processes and budget.

Digitisation and 4IR brings opportunities (faster processing of information and levelling of the playing field), but also many challenges and risks (cybercrime and protection of personal information) that can affect the work of the NCR.

f) Stakeholder management - The approach of the NCR towards stakeholder management is to facilitate open discussion and engagement with the industry and other stakeholders. Efforts are being made to achieve this objective while avoiding regulatory capture by the industry.

The NCR established the Credit Industry Forum which serves as a platform for the NCR and industry to engage and reach agreement on industry issues. The forum represents all industry players and consumers. It plays an important role in resolving operational problems on the implementation of the legislation.

The NCR is a member of the African Consumer Protection Dialogue which is facilitated by the Federal Trade Commission of the United States (The African Dialogue). This forum brings together regulators from all over the African continent to discuss consumer protection issues and share information.

The NCR also holds regular meetings with regulators, industry associations and registrants. MOAs have been entered into with FSCA, PA and SARB in terms of the Financial Sector Regulatory Act.

The NCR has networks with other regulators in the SADC region, United States of America and the United Kingdom.

The NCR is a member of the World Bank's International Committee on Credit Reporting (ICCR) and participates in meetings and webinars.

8.3 Internal environment analysis

The following internal factors affect and may continue to affect the work of the NCR:

- b) Funding** - Adequate funding is a factor that the NCR always needs to consider, especially due to the impact of Covid-19 pandemic and the government's response to it. Due to cost-cutting measures and improved efficiencies, the NCR was able to deliver against its Strategic Plan so far.

The NCR's budget allocation has been reduced for the next three years. We need to continue finding innovative ways to augment the budget, but also new ways of working smarter in order to be able to execute our legislative mandate.

- c) Structure, systems and processes** - With the 4IR upon us, it is essential to advance our information communication technology (ICT) to enable our deliverables.

- **Call Centre Management System:** The new call centre management system went live during 2019/20 and improved not only the efficiency of the call centre, but also service delivery to consumers. Enhanced features includes amongst others automated call distribution, call monitoring and real time and historical reporting. These new features resulted in increased customer satisfaction as, for example, calls are routed directly to an agent instead of multiple transfers, this allows ease of access to the NCR, improves call quality and helps gain the consumers trust. The monitoring and reporting enhancement makes it possible to identify training needs in order to continuously improve service delivery.
- **VPN and Firewall set up:** This security feature will improve system security and implement a permanent remote working solution. A temporary system is in place with the permanent solution to soon be phased in.
- **Infrastructure and Server upgrade:** This will optimise systems and applications' performance and response time as well as replace servers that are out of warranty. The upgrade is almost complete.
- **Exchange server (email) upgrade and services migration to the new servers:** Exchange servers upgraded to the most current supported version and migration to the new servers is almost complete.
- **Enhanced operational systems:** Various internal systems will be overhauled to create an efficient and integrated operational system to improve operational efficiency and responsiveness within NCR.

It remains imperative to scan the environment for developments and to continuously update and innovate our systems and processes and ensure that a robust structure underpins it all.

- a) Human Capital** – Having people with the right skills on board is an important factor that determines the success of the NCR. To increase capacity and bolster staff complement, we recruit interns to assist with, in particular, investigations and compliance monitoring. Retention of skills is a major priority, however we continue to lose these skills to the credit industry. In addition, certain key positions have been frozen as a result of funding challenges.
- b) Occupational Health and Safety** – NCR is committed to making its working environment safe for its employees, especially during the Covid-19 pandemic. Some of the measures implemented include: provision of sanitizers, facial masks, personal protective equipment, body temperature monitoring, social distancing observed, regular disinfection and provision of a sickroom.
- c) Knowledge intensity** – Operating in a knowledge economy and digitised workplace means the NCR has to provide its valued staff with opportunities for training and further studies, participation in conferences and similar industry events. Life-long learning is vital.

PART C: Measuring Our Performance

8 Institutional Performance Information

8.2 Measuring the Impact

Impact statement	Improved regulatory environment, which promotes economic growth through job creation, integration and transformation.
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8.3 Measuring Outcomes

Outcome	Outcome Indicator	Baseline	Five year target
Improved consumer protection through education and awareness of the NCA.	Number of consumer education and awareness campaigns and activities conducted on consumer rights.	120 consumer education and awareness campaigns and activities	3 400 consumer education and awareness campaigns and activities.
	Number of consumer education and awareness campaigns and activities conducted on deceptive and unfair practices.		650 consumer education and awareness campaigns and activities
Increased efficiency in registration of persons and entities to facilitate creation of job opportunities.	% of new entrants (persons and entities) registered within a number of days of receipt of signed proposed conditions and payment of registration fees.	95% of applications registered within 8 business days of receipt of signed proposed conditions and payment of registration fees.	99% of applications registered within 2 business days of receipt of signed proposed conditions and payment of registration fees.

8.4 Explanation of Planned Performance over the Five Year Planning Period

- To improve education awareness regarding deceptive and unfair practices and consumer rights.
- Efficient registration of new entrants in the consumer credit market to increase the participation of SMMEs which would facilitate the creation of job opportunities which ultimately contributes towards economic growth.
- In order to achieve these targets, a well-functioning infrastructure and adequate funding is required.

8.5 Measuring Impact

Impact statement	A fair, responsible and accessible consumer credit market promoted.
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8.6 Measuring Outcomes

Outcome	Outcome Indicator	Baseline	Five year target
Improved compliance through enforcement of the NCA.	Number of investigations on credit providers for compliance with regulations pertaining to the total cost of credit.	339 credit providers	2 000 Investigations.
	Number of investigations on credit providers for compliance with regulations pertaining to reckless lending.	329 credit providers	1 500 Investigations
	Number of investigations on credit bureaus for compliance with the Act	5 credit bureaus	70 Investigations

8.7 Explanation of Planned Performance over the Five Year Planning Period

- Promotion of affordable levels of credit granting, accurate consumer credit information, decreased levels of reckless lending, unfair practices and enforcement of the Act will contribute towards improved consumer protection and economic growth.
- In order to achieve these targets, the NCR requires a well-functioning infrastructure, adequate funding and capacity to enhance its efficiency and effectiveness.

9 Key Risks and mitigations

The following table provides a summary of the NCR's key risks, as well as existing controls to mitigate the risks.

Outcomes	Key risk	Risk mitigation
<ul style="list-style-type: none"> Improved consumer protection through education and awareness of the NCA; Increased efficiency in registration of persons and entities to facilitate creation of job opportunities; and 	COVID-19 -Impact of COVID-19 on NCR's operations: the health of NCR employees and funding.	- Provision of sanitizers, facial masks, personal protective equipment, body temperature monitoring, social distancing observed, regular disinfection and provision of a sickroom. - Provision of remote working tools and policy
	Funding - Insufficient funding from the National Treasury may result	- Update of the Portfolio Committee as and when required - Prepared & submitted annual cash flow projections to the dti

Outcomes	Key risk	Risk mitigation
<ul style="list-style-type: none"> Improved compliance through enforcement of the NCA. 	<p>in the NCR's inability to meet long and short term financial commitments and execution of strategic objectives</p> <ul style="list-style-type: none"> - Failure to collect renewal fees from registrants. - A reduction in registrants. 	<ul style="list-style-type: none"> - Budget mid-term reviews & reprioritization of funds - Approval of annual budget by EXCO (Procurement Plan) - Annual approval of the procurement plan by EXCO - Monthly variance reports to compare actual vs. budget - PDA interest utilization policy; - New registration thresholds for credit providers; - Invoicing of all registrants a month before fees are due; - Uncapping of branch fees; - registration certificates & window decals issued annually upon renewal & not once off; lapsing policy implemented; - Reaching settlement agreements that requires registrants to contribute resources to consumer education activities. - To explore the possibility of utilising imposed administrative fines to set-off legal fees incurred by the NCR.
	<p>Information Technology</p> <ul style="list-style-type: none"> - Innovations and / advancements in the external technological environment, may threaten NCR's current business model and the ability to adequately and efficiently service clients 	<ul style="list-style-type: none"> - Assessment of the new ICT infrastructure - Additional servers acquired - New additional laptops and desktops acquired - Additional ICT skills recruited - Network infrastructure improved.

Outcomes	Key risk	Risk mitigation
	Business Continuity - In the event of a major business disruption; the NCR may not be able to continue with the business due to lack of BCP resulting in non-achievement of business objectives	- Risk assessment on security performed; - Insurance cover in place; - Maintenance plan in place for office equipment and building; - ICT disaster recovery & BCM plans are in place; - Health & safety committee; - Alignment to Government Covid-19 regulations; - Implemented the BCP in terms of people working remotely where possible; and - Server monitoring & alert system. - Disaster recovery site identified and equipped.

Part D: Technical Indicator Description (TID)

Items	Guide
Indicator title	Number of consumer education and awareness campaigns and activities conducted on consumer rights.
Definition	A measuring tool relating to the consumer education awareness campaigns and activities conducted on consumer rights.
Source of data	Education and awareness reports.
Method of calculation or assessment	Quantitative – Simple count of consumer education and awareness campaigns and activities conducted
Assumptions	<ul style="list-style-type: none"> • Cooperation by stakeholders and consumers in the campaigns. • Increased capacity • The absence of COVID-19
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Desired performance	To increase the level of public awareness on consumer rights.
Indicator responsibility	Manager: Education and Communication

Items	Guide
Indicator title	Number of consumer education and awareness campaigns and activities conducted on deceptive and unfair practices.
Definition	A measuring tool relating to the consumer education awareness campaigns and activities conducted on deceptive and unfair credit practices.
Source of data	Education and awareness reports.
Method of calculation or assessment	Quantitative – Simple count of consumer education and awareness campaigns and activities conducted
Assumptions	Cooperation by stakeholders and consumers in the campaigns. Increased capacity The absence of COVID-19
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Desired performance	To increase the level of public awareness on deceptive and unfair credit practices.
Indicator responsibility	Manager: Education and Communication

Items	Guide
Indicator title	% of new persons and entities registered in the consumer credit market within a number of business days of receipt of signed proposed conditions and payment of registration fees.
Definition	Measuring tool to improve efficiency in the registration process of persons and entities.
Source of data	<ul style="list-style-type: none"> • Registration certificates issued • Number of applications registered • Reports from the registration's ICT system.
Method of calculation or assessment	Quantitative Total number of applications registered within 2 business days of receipt of signed proposed conditions and payment of registration fees. <hr/> Total number of applications registered

	= Total percentage (%) of new applications registered
Assumptions	An improved and efficient ICT system and/or increased capacity.
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Desired performance	To improve efficiencies in registration which may lead the establishment of new SMMEs and creation of jobs
Indicator responsibility	Manager: Registrations

Items	Guide
Indicator title	Number of investigations on credit providers for compliance with regulations pertaining to the total cost of credit.
Definition	A measuring tool relating to credit providers for compliance with regulations pertaining to the total cost of credit.
Source of data	Compliance monitoring, investigation reports, audit reports and complaints evaluation reports.
Method of calculation or assessment	Quantitative-simple count of compliant credit providers.
Assumptions	Increased capacity The absence of COVID-19
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Desired performance	Improved compliance with the Act and its regulations by credit providers.
Indicator responsibility	Managers: Investigations & Enforcement, Credit Providers Compliance & Complaints

Items	Guide
Indicator title	Number of investigations on credit providers for compliance with regulations pertaining to reckless lending.
Definition	A measuring tool relating to credit providers for compliance with regulations pertaining to reckless lending.
Source of data	Compliance monitoring, investigation reports, audit reports and complaints evaluation reports
Method of calculation or assessment	Quantitative - simple count of compliant credit providers.
Assumptions	Increased capacity The absence of COVID-19
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Desired performance	Improved compliance with the Act and its regulations by credit providers.
Indicator responsibility	Managers: Investigations & Enforcement, Credit Providers Compliance & Complaints

Items	Guide
Indicator title	Number of investigations on credit bureaus for compliance with the Act.
Definition	A measuring tool relating to credit bureaus for compliance with the Act.
Source of data	<ul style="list-style-type: none"> • Compliance monitoring and • Investigation reports; • Audit reports.
Method of calculation or assessment	Quantitative - Simple count of compliant credit bureaus.
Assumptions	Increased capacity
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for women: N/A • Target for youth: N/A • Target for people with disabilities: N/A

Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Contribution to spatial transformation priorities: N/A • Spatial impact area: N/A
Desired performance	Improved compliance with the Act and its regulations by credit bureaus.
Indicator responsibility	Managers: Credit Bureau Compliance