

NRCS ANNUAL PERFORMANCE PLAN FOR

2021/22– 2023/24

31 MARCH 2021

1. LIST OF ABBREVIATIONS

AFRIMETS	Intra-Africa Metrology System
COTII	Council of Trade and Industry Institutions
the dtic	Department of Trade, Industry and Competition
EU	European Union
KPA	Key Performance Area
KPI	Key Performance Indicator
LOA	Letter of Authority
NEDLAC	National Economic Development and Labour Council
NRCS	National Regulator for Compulsory Specifications
OECD	Organisation for Economic Cooperation and Development
OIML	International Organisation of Legal Metrology
PFMA	Public Finance Management Act
SABS	South African Bureau of Standards
SADC	Southern African Development Community
SANAS	South African National Accreditation System
SARS	South African Revenue Services
SLA	Service Level Agreement
SQAM	Standards, Quality, Accreditation and Metrology
SADCMEL	SADC Cooperation in Legal Metrology
TR	Technical Regulation
VC	Compulsory Specification
WTO TBT	World Trade Organisation Agreement on Technical Barriers to Trade

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3. Foreword by the Minister

This Annual Performance Plan (APP) of the National Regulator for Compulsory Specifications (NRCS) 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.



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 NRCS, with progress against these to be reported to the Ministry on a quarterly basis.

The NRCS 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.

Greater coordination between technical regulators and the sharing of resources and expertise is also required, to build excellent institutions.

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 NRCS with the national priorities and accordingly table the APP for the NRCS in accordance with the request by the Speaker.



EBRAHIM PATEL

MINISTER OF TRADE, INDUSTRY AND COMPETITION

Date: 31 March 2021

4. Overview by the CEO

The NRCS was established in terms of the NRCS Act 5 of 2008 (The Act), as amended and the Legal Metrology Act, 2014 (Act No. 9 of 2014) (LMA), which together define the mandate of the NRCS. It is imperative that the strategic approach and operations of the organisation are responsive to and aligned with the above legislative instruments. In response thereto, the organisation has themed its strategy in order to “***preclude presence of non-compliant goods to prevent harm, in any form, to consumers whilst promoting and maintaining fair trade and protecting our environment.***” In order to drive the organisational focus toward this key achievement, and thereby ensuring consumer and environmental safety is sustained, the organisation will drive, in the short and medium-term, toward the realisation of specific priorities. These priorities are driven by specific outcome-oriented goals and objectives which will be measured throughout the performance period of this strategic plan.

The NRCS will dedicate resources towards:

- The harmonisation of technical regulations to promote trade and give effect to trade within the African Continent and other regional trading blocks.
- Economic Reconstruction and Recovery Plan.
- The Africa Continental Free Trade Agreement.
- Safer Vehicles 2025 – the NRCS is dedicating resources to ensure that vehicles on South African Roads are safe and the set minimum requirements lead to safe motor vehicles.
- Implementation of the Legal Metrology Act, Act No. 9 of 2014 (LMA), which is increasing the scope of metrology from trade measurements to incorporate health, safety and environmental measurements. The NRCS will in the medium term expand and strengthen the scope of legal metrology in line with the LMA, to protect consumers against inaccurate measures, support local industrial competitiveness and enhance protection of the environment, public health and safety, as well as fair trade.

This Annual Performance Plan takes into account the current challenges being experienced due to the COVID-19 pandemic and the dynamic environment which the NRCS operates in. I further take into consideration the expected establishment of the Border Management Agency

and challenges as well as the economic and development needs of the South African society. In fulfilling this task, the NRCS, will maximise the usage of resources, minimising the risk of exposure to COVID-19 to both employees and stakeholders.

The following activities will be undertaken to assist the NRCS in its approach to be more efficient and effective:

- Amendment of legislation and regulations to assist in resolving the revenue qualification
- Vigorously implements sanctions for non-compliance
- Fully implement the amended Legal Metrology Act and build capacity to achieve this mandate
- Ease of doing business: Modernise IT systems and efficiently regulate the market
- Manufactured and imported goods are inspected at source (point of manufacture in South Africa or South African point of entry), where possible;
- Fully implement the Risk Based Approach to inspections and approvals;
- Memoranda of Understanding (MoUs) and technical agreements with regional and other international governmental and treaty organisations are concluded where necessary;
- Regular awareness interventions are embarked upon;
- Build partnerships with industry and other regulatory bodies;
- Enhance participation of small businesses in NRCS Stakeholder consultation forums;
- Participation in international, continental and regional forums.

The NRCS's Strategic Plan and Annual Performance Plan intend to achieve the following:

- Enhance the quality of life of all South African citizens by protecting their health and safety, as well as protecting the environment and maintaining fair trade;
- Improve compliance behaviour and encourage local manufacturing of compliant products by "locking-out" non-compliant products, thereby contributing to the development of the South African economy;

- Easy of accessibility of the NRCS through modernisation of the NRCS IT systems.

Changes in trade trends have led to an increase in imports and consequently an increase in commodities coming through the South African ports of entry. This calls for enhancements in the regulatory framework, market intelligence and more sophisticated techniques to analyse risks related to the regulated product, company and country of origin. NRCS has responded to this particular challenge and introduced the Ports of Entry Enforcement Strategy and the Risk-Based Approach to NRCS work. These initiatives have assisted the organisation to optimally utilise its resources by deploying inspectors at ports of entry and at the point of manufacture (source) in order to intercept non-compliant products before they enter trade in the South African market. The entity is working in partnership with SARS, BCOCC and Border Police (SAPS) in these surveillance and enforcement activities.

NRCS will continue to invest in technology, accelerate the development and deployment of a new Customer Relations Management System (CRM) and other ICT platforms to enhance accessibility of services to stakeholders including online applications for letters of authority (LOA). These initiatives will enable NRCS employees to conduct business in and outside the office efficiently, using electronic and digital technology.

The NRCS is encouraged by the spirited Government support and count on this excellent relationship to achieve its goals. The NRCS annual performance plan was thus crafted to ensure optimum utilisation of resources to assist **the dtic** to reach the medium term strategic goals and objectives. The entity also recognises that any strategy is only as good as the people that implement it. To this end, the organisation will focus on engaging with staff around the strategy and implement a performance management system to ensure effective achievement of targets and outputs set in the plan. In addition, the organisation will be investing in its human resources through the implementation of continuous development programmes that are tailor made and in accordance with required competencies for the various positions.



E Mamadise

Chief Executive Officer

5. Official sign-off

It is hereby certified that this Annual Performance Plan:

Was developed by the management of the National Regulator for Compulsory Specifications and it takes into account all the relevant policy and legislative mandates for which the NRCS is responsible. It further accurately reflects the strategic outcome oriented goals and objectives for which the NRCS will work towards achieving during the medium-term period 2021/22 – 2023/24

E Matemba

Manager Strategy and Risk

Date: 31 March 2021

Signature: 

R. Ramcharran

Chief Financial Officer

Date: 31 March 2021

Signature: 

A. Thulare

Chief Operations Officer

Date: 31 March 2021

Signature: 

E. Mamadise

Chief Executive Officer

Date: 31 March 2021

Signature: 

6. LEGISLATIVE AND OTHER MANDATES

The broad mandate of the NRCS is to promote public health, safety and environmental protection through the development and enforcement of compulsory specifications / technical regulations. While consumer protection lies at the heart of the activities of the NRCS, this function cannot be separated from South Africa's role as a global trading partner. South African goods and services need to be competitive in terms of cost and quality and, at the same time be guaranteed to be safe and fit for purpose. The **mandate** of the NRCS is derived from the following legislation:

- The National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008) as amended;
- The Legal Metrology Act, 2014 (Act No. 9 of 2014); and
- The National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977) (NBR&BS Act).

7. POLICY MANDATES

In addition to the legislative mandate, the NRCS strategy is aligned to that of its primary stakeholder, **the dtic**. The most significant areas of alignment are contained in the following **strategic objectives of the dtic**:

- Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation

- Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives.
- Create a fair regulatory environment that enables investment, trade and enterprise development, in an equitable and socially responsible manner

Re-imagined Industrial Policy

The NRCS has a significant role to play in realising the goal of South Africa being a developmental state. The NRCS will play a significant role within the Automotive, Clothing Textile Leather and Footwear, Chemicals and Plastics, Agriculture and Agro-processing and the Oceans Economy.

The NRCS will balance its regulatory responsibilities and the needs of the economy in terms of operationalising the Re-imagines Industrial Policy and application of the master plans in the areas where the entity has a role to play. The orientation of regulatory activities to support both the 'lock out' of unsafe and inferior imports and the 'lock in' of access to increasingly demanding export markets, will also receive attention in the way that specifications are developed, market surveillance is conducted and enforcement activities are implemented by the NRCS.

Regional and International Participation

The NRCS in contributing to the government goal of implementing the Africa Free Agreement and building a better Africa and the world will represent South Africa:

- a) As a competent Authority at CODEX Alimentarius
- b) United Nations World Forum for Harmonization of Vehicle Regulations (WP 29) – harmonisation of motor vehicle regulations.
- c) SADC Technical Infrastructure committees especially with regards to harmonization of technical regulations and will continue to serve as secretariat for SADC MEL (Co-

operation in Legal Metrology) and SADC Technical Barrier to Trade Cooperating Structure.

- d) African Organisation for Standardisation (ARSO) – Harmonisation of technical regulations and conformity assessment.
- e) Inter Africa Metrology System (AFRIMETS) – Harmonisation of Legal Metrology Regulations giving effect to African Free Trade agreement.

Furthermore, in promoting trade, the NRCS will continue to enter in to agreements with our trading partners. Currently the NRCS has agreements with Botswana, Namibia, Mauritius, Zambia and Mozambique.

8. INSTITUTIONAL STRATEGIES

Risk Based Approach

At the heart of the **Risk-Based Approach** is the identification and quantification of risks for the regulated industries. In any environment, in which scarce resources are present and there is a need to address significant threats, a **Risk-Based Approach** is essential. The NRCS Risk-Based approach is premised on gathering information and transforming such information into actionable intelligence to guide regulatory activities at both the strategic and operational levels.

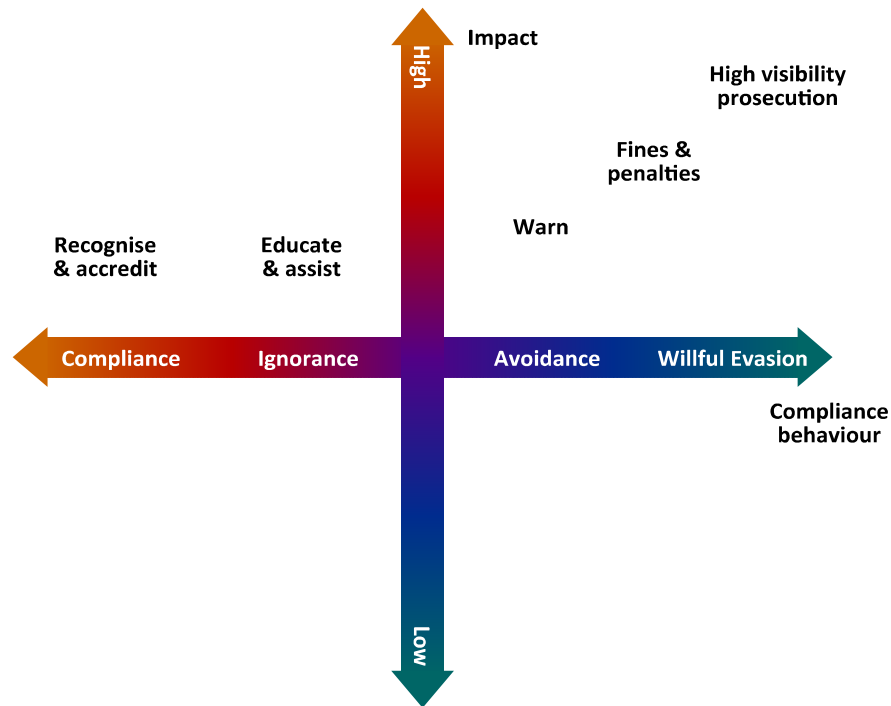
Regulatory response will therefore be developed to address risks in a focused manner. The focus of NRCS will be on according priority attention to addressing high and medium risk products and institutions and planning effective surveillance on low-risk areas. It remains the commitment of NRCS to ensure that in the application of the risk-based approach, there is no breach of the fair-trade and equal opportunity principles, and that businesses will not necessarily find disadvantage as a result of their size, origin and/or other demographic characteristics that the government of South Africa has identified through its transformation policies.

The following important principles will inform NRCS' work:

- Safety critical products must be identified and regulated;
- Compliance, preferably voluntary/ self-compliance, to compulsory specifications and technical regulations;
- Inspection activity should correspond with the level of risk inherent to the product and the risk profile of the applicant/supplier to ensure effective deployment of resources. Two forms of inspections will be conducted depending on the risk profile of products and suppliers:
 - **Surveillance at source:** NRCS will inspect, sample or test products at the point of manufacture or port of entry into South Africa. This approach will also be subject to ongoing, comprehensive analysis and exploration.
 - **Remote Surveillance:** Involves the use of technology where the NRCS inspector will evaluate documentation which may include test reports, pictograms and other technical information at NRCS or other identified premises, but not necessarily at the premises where the products are kept or stored.

The following diagram illustrates how the regulatory response may be focused on the level and type of risks as well as compliance behaviour exhibited.

Compliance Behaviour and NRCS Intervention



Regulating at Source

Regulating and inspecting (regulatory surveillance) at the source of manufacturing will largely assist in locking out non-compliant products before they enter trade and ensure that NRCS is more efficient and effective in regulating the market. Source inspections will entail points of manufacture as well as points of entry into South Africa. Effort will be directed mainly at the point of manufacture and point of entry whilst some effort will be directed at retailers and distributors to gather intelligence and decrease the number of non-compliant products in the South African market.

Finding non-compliant products in the marketplace is evidence of regulatory challenges and failure. The Port of Entry Surveillance Approach will respond to such challenges by decreasing the probability of non-compliant goods entering the South African marketplace.

Due to the large volume of imports into South Africa and the fluid nature of trade, regulatory efficiency and effectiveness will be improved through the intelligent utilisation of information technology.

9. RELEVANT COURT RULINGS

There was one on National Regulator for Compulsory Specification Act. The Judgement recognises that by, remedying the product, it can lead to the product falling outside of the compulsory specification.

10. PLANNED POLICY INITIATIVES

10.1 Border Management Agency

The NRCS Strategy as well as the enforcement functions at the Ports of Entries will in the medium term be affected by the establishment of the Border Management Agency. There will be implications to the NRCS compliance and enforcement functions as Schedule 1 of the Border Management Agency Act assigns enforcement and compliance functions at the Ports of Entry to the Border Management Agency. This affects the two primary legislations of the NRCS namely Legal Metrology Act and National Regulator for Compulsory Specifications Act.

10.2 National Building Regulations and Building Standards

The planned review of the National Building Regulations and Building Standards Act (NBR&BS) arose because the built environment has continuously evolved since promulgation of the NBR&BS Act in 1977. The current NBR&BS Act does not address evolving technical developments within the building environment, the municipal administrative systems as well as the alienation of the reporting structures within the building regulatory environment.

PART B: STRATEGIC OVERVIEW

11. The NRCS situational analysis

The NRCS' role as a regulator is to ensure that businesses produce, import or sell products or

services that are not harmful to consumers or the environment or that do not fall short of the declared measure. The NRCS is also tasked to provide a regulatory function for the building industry to ensure building safety, health, structural stability, and the uniform interpretation of the NBR&BS Act and its regulations.

The strategic context within which the NRCS operates is characterised by two significant trends. The first is the increasing sophistication and activism of consumers, manufacturers and retailers. The second is the increased need for stronger relationships and cooperation with industry, other regulators, law enforcement bodies, regional and international bodies and other stakeholders.

In updating its assessment of the external environment and its potential impact, the NRCS has performed an External Performance Delivery Environment Analysis using a PESTLE analysis, a SWOT analysis, Stakeholder Analysis and a Risk Review. The NRCS's macro-environment, in particular, was assessed, taking into consideration the Political, Economic, Social, Technological, Legal / Ethics & Environmental aspects.

These trends have informed the development of strategic goals and objectives to steer the organisation on its path to deliver on its mandate.

a. INTERNAL STRATEGIC DRIVERS

Internally, the NRCS is in the process of reviewing its organisational design in order to implement a structure that promotes the accomplishment of the NRCS' mandate in an economical, effective and efficient manner. The Risk-Based Approach and the Port of Entry Enforcement Strategy will fundamentally impact the organisational design of the NRCS. It is envisaged that the Risk-Based Approach and Enforcement Strategy will enable the NRCS to inspect commodities at source and the focus of inspectors will become more proactive in addressing areas of non-compliance through a range of regulatory interventions as opposed to routine inspections. The Risk-Based Approach will enable inspectors to gather market

intelligence and create awareness through briefings with stakeholder groupings such as trade unions, chambers of commerce and industry groupings whilst focusing enforcement activities where high risks exist. A new and integrated surveillance approach, informed by the intelligent application of information technology, is planned for adoption to enhance regulatory activities.

NRCS' mandate will be achieved through:

- Committed leadership
- Building a core of committed, skilled and experienced staff
- Communicating openly, transparently and collaborating with all stakeholders

Executing the NRCS mandate in a financially sound and sustainable manner and in Political & Technological aspects

Political	Technological
<input type="checkbox"/> Service delivery challenges - depending on approach of winning party and their commitment to service.	<input type="checkbox"/> Information security challenges.
<input type="checkbox"/> Change in political direction – New policies and goals set that can impact on NRCS mandate.	<input type="checkbox"/> Open source platforms and optimizing operations and access to technology.
<input type="checkbox"/> Change in the dtic Minister – New Minister may set new agenda which may change NRCS resourcing.	<input type="checkbox"/> Increase in on-line trading and the related challenges e.g., E-commerce
<input type="checkbox"/> Conflictual collective bargaining environment.	<input type="checkbox"/> Rise of flexible working and tele-commuting.
<input type="checkbox"/> Post-election changes in the political administration.	<input type="checkbox"/> Real potential of a paperless environment.
<input type="checkbox"/> The perception of political bias is a risk.	<input type="checkbox"/> Low cost access to technology & communications devices such as Smartphone's.
<input type="checkbox"/> Increased activism regarding public service delivery.	<input type="checkbox"/> More technology players, lower cost of communications & technology.
	<input type="checkbox"/> Ease of access to information requirements.
	<input type="checkbox"/> The rise of 'big data', predictive analytics and intelligent forecasting and reporting tools.
	<input type="checkbox"/> Availability of "off the shelf" software to impact ICT process, e.g. recording, tracking and reporting.
	<input type="checkbox"/> Increasing sophistication of threats on IT security and HR processes.
	<input type="checkbox"/> Increasing cost effective technology for effective records management.

	<ul style="list-style-type: none"> <input type="checkbox"/> Keeping up with advancement in technology. <input type="checkbox"/> Enable remote surveillance in order to ensure that non-compliant products are locked-out of the local marketplace, prior to entering trade. <input type="checkbox"/> Efficient intelligence gathering, data mining and risk profiling to ensure that regulatory enforcement activity is well focused and resources are utilised optimally.
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Economic & Legal/Ethics aspects

Economic	Legal/Ethics
<ul style="list-style-type: none"> <input type="checkbox"/> Tough economic times have resulted in an increase in corruption. <input type="checkbox"/> Cost cutting through consolidation of public entities. <input type="checkbox"/> Weakening of rand, rising inflation levels and possible interest rate increases. <input type="checkbox"/> BBBEE <input type="checkbox"/> The ongoing worldwide economic recession. <input type="checkbox"/> Downward adjustment of economic growth rate. <input type="checkbox"/> Increase in on-line transactions. <input type="checkbox"/> Financial constraints on the fiscus. <input type="checkbox"/> Companies implement cost control measures which has the potential to result in the production of sub- standard and non-compliant products. 	<ul style="list-style-type: none"> <input type="checkbox"/> More laws, increasing moral prescription rather than reliance on ethics or moral guidance. <input type="checkbox"/> Changes in founding laws are on the horizon. <input type="checkbox"/> Implementation of various laws and the impact on NRCS –e.g., Border Management Act and Consumer Protection Act. <input type="checkbox"/> Legislation which overlaps/ duplication of mandates.

Social & Environmental aspects

Social	Environmental
<ul style="list-style-type: none"> <input type="checkbox"/> Increased awareness and mobilization of people on the ground - promote political agendas that might impact NRCS. <input type="checkbox"/> Urbanization – Rural – Urban migration. <input type="checkbox"/> High levels of unemployment. <input type="checkbox"/> Changes in company culture - Gen Y and Millennials. <input type="checkbox"/> Need for Youth Development. <input type="checkbox"/> Active Citizenry - demand for improved access to services and improved service delivery. <input type="checkbox"/> Increase in flexible working practices. <input type="checkbox"/> Rise of social media and digital inter-connectedness. <input type="checkbox"/> High cost of living drives demand for low cost of goods. 	<ul style="list-style-type: none"> <input type="checkbox"/> Natural disasters – food price increases and less disposable income. <input type="checkbox"/> NRCS environmental responsibilities in respect of sustainable consumption. <input type="checkbox"/> Need to focus on employee safety and wellness in the workplace. <input type="checkbox"/> Focus on waste management in terms of non-compliant products. <input type="checkbox"/> Need to minimise Carbon Footprint. <input type="checkbox"/> Need to innovatively share and package information. <input type="checkbox"/> Reducing consumption e.g., printing, water and electricity. <input type="checkbox"/> Rise in environmentally friendly practices.

ORGANISATIONAL ENVIRONMENT (INTERNAL-SWOT)

The NRCS's internal strengths and weaknesses, together with the external opportunities and threats referenced earlier, were evaluated to provide a basis for re-aligning, re-prioritising and refining the NRCS's goals and objectives. The purpose is for the NRCS to optimise identified strengths, harness opportunities, offset identified weaknesses and mitigate threats.

List of Strength and Weaknesses

Strength	Weaknesses
<ul style="list-style-type: none"> <input type="checkbox"/> Good relationships with stakeholders. <input type="checkbox"/> Legislative empowerment & authority. <input type="checkbox"/> Policy and procedure framework. <input type="checkbox"/> Diversity and relevance of knowledge and expertise of staff. <input type="checkbox"/> Soundness of inter-personal relationships and diversity of organisational culture <input type="checkbox"/> Skilled workforce <input type="checkbox"/> Participation in international forums. 	<ul style="list-style-type: none"> <input type="checkbox"/> Documents and records management systems and practices not always operationalized. <input type="checkbox"/> Inability to sanction particularly in complex cases. <input type="checkbox"/> Increase in applications creating backlog and negatively impacting administrative efficiency. <input type="checkbox"/> HR systems, processes and practices not always operationalised. <input type="checkbox"/> Recruitment system not attracting / selecting the most competent people within reasonable periods of time. <input type="checkbox"/> Current inability to access records and information quickly and accurately. <input type="checkbox"/> Weak organisational culture <input type="checkbox"/> Inaccuracies experienced in data capturing. <input type="checkbox"/> Inefficient Supply Chain system and process <input type="checkbox"/> Lean organisational structure and resourcing challenges. <input type="checkbox"/> Lack of effective strategic and operational change management. <input type="checkbox"/> Lack of internal ICT support capacity on specialized aspects. <input type="checkbox"/> Lack of effective internal communications. <input type="checkbox"/> Absence of communication channels that employees deem to be safe to utilise to voice concerns. <input type="checkbox"/> Funding challenges.

List of Opportunities and Threats

Opportunities	Threats
<ul style="list-style-type: none"> <input type="checkbox"/> Soundness of inter-personal relationships and diversity of organisational culture. <input type="checkbox"/> Increased focus on implementing sound HR practices. <input type="checkbox"/> Employee development. <input type="checkbox"/> Accommodating persons with disabilities. <input type="checkbox"/> Knowledge sharing with other national, regional and international regulators for compulsory specifications. <input type="checkbox"/> To grow structurally through a flexible combination of permanent and contingent employment. <input type="checkbox"/> Increased technological neutrality and convergence. <input type="checkbox"/> Ease of obtaining and sharing information. <input type="checkbox"/> Enhanced visibility and role differentiation through building relationships with regulators / agencies. <input type="checkbox"/> Increased potential for Alternative Dispute Resolution. 	<ul style="list-style-type: none"> <input type="checkbox"/> Inability to meet external demands beyond organisational capacity. <input type="checkbox"/> Available data not useable for future predictions and planning. <input type="checkbox"/> Inadequate number of full-time employees. <input type="checkbox"/> Failing to timeously to appoint new employees. <input type="checkbox"/> Lack of coherent pooling methods for information and data. <input type="checkbox"/> Potential of negative impact on employee morale as number of applications rises without commensurate increase in resources. <input type="checkbox"/> Reducing number of efficiency improvement opportunities as technology enhancements are successfully implemented. <input type="checkbox"/> ICT security threats and safeguarding of public information. <input type="checkbox"/> High compliance costs ratio to income as well as resource requirements.

12. NRCS core process and products

In executing its mandate, the NRCS understands and follows a distinct core business process as outlined below:

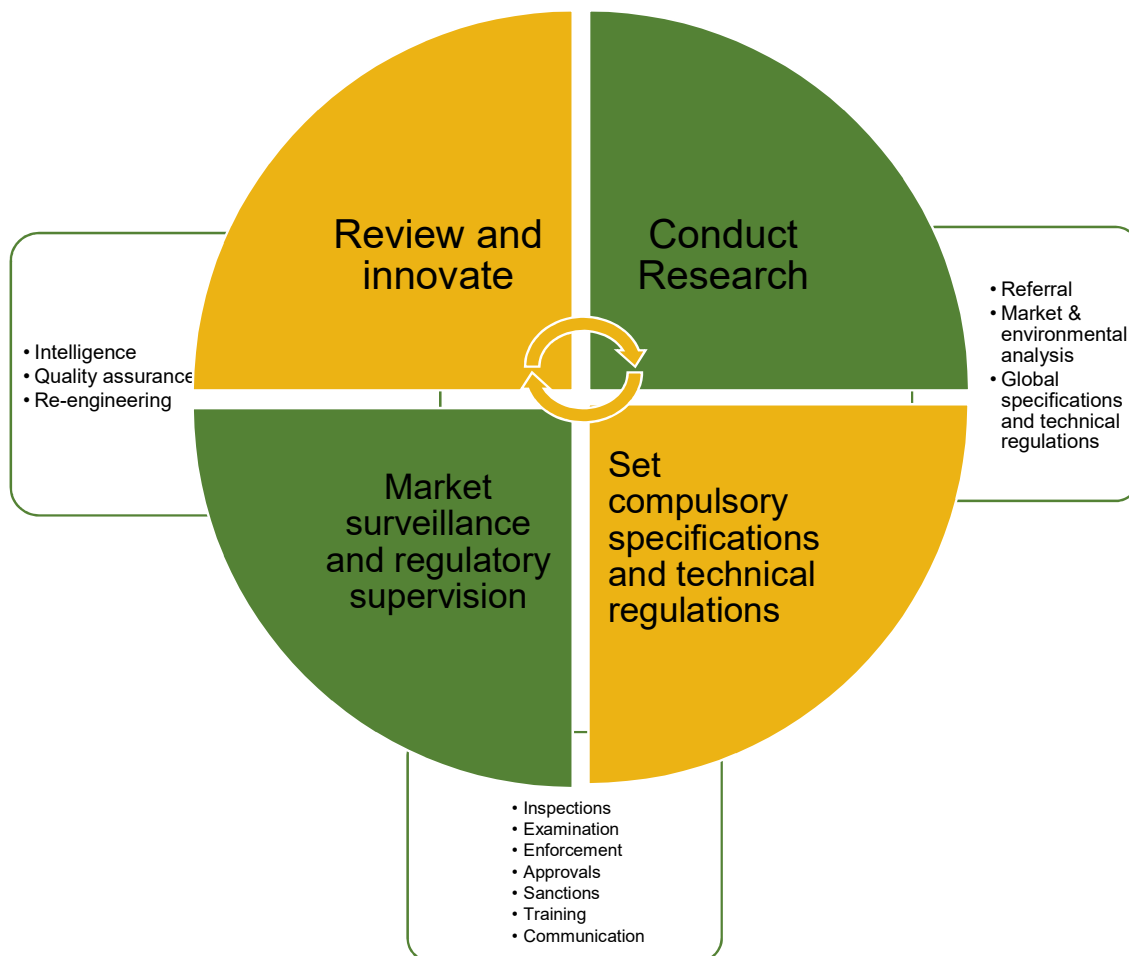


Figure 1: NRCS Core processes

Conduct Research

The NRCS conducts market research and environmental scans / analyses to determine those compulsory specifications and technical regulations that should be introduced to ensure that

the health and safety of the South African public and the environment are protected, as well as to ensure fair trade.

NRCS will be proactive in identifying shortcomings in the current regulatory framework as well as with the current compulsory specifications and technical regulations.

Set Compulsory Specifications and Technical Regulations

The development, amendment or withdrawal of compulsory specifications and technical regulations involve conducting risk and impact assessments in the drafting process. Wherever possible, national and international standards are used in the development of these compulsory specifications and technical regulations. In the absence of suitable standards, the NRCS initiates the drafting of the standard or develops a compulsory specification or technical regulation incorporating the necessary technical requirements in accordance with legislative prescripts. In the case of building regulations, the NRCS develops technical regulations to set the minimum technical requirements for buildings and the built environment.

Stakeholder Engagement

The NRCS will conduct extensive analysis and engagement with relevant stakeholders to ensure that the specifications and regulations developed are practical, appropriate and meaningful. The NRCS will also engage with stakeholders to provide education and awareness programmes and to promote compliance with compulsory specifications and technical regulations.

Market Surveillance and Regulatory Supervision

The NRCS will continue to apply the Border Enforcement Strategy and the Risk-Based Approach in its work, signifying a shift from the past practice where the NRCS predominantly conducted inspections at retail outlets. NRCS will comprehensively explore the approach of **“inspecting at source of production or port of entry”** to promote compliance behaviour. This combined with the introduction of self-regulation which is currently in its pilot phase will see an increase in inspections at source with an expected improvement in compliance behaviour.

Regulatory supervision also incorporates the pre-market approval process. Pre-market approvals serve as confirmation that the product model which has been evaluated by the NRCS meets the requirements of the relevant compulsory specification or technical regulation.

NRCS surveillance approach

Regulating and inspecting (regulatory surveillance) at the source of manufacturing or entry into the country will largely assist in locking out non-compliant products from the market, and ensure that NRCS is more efficient and effective in regulating the market. Source inspections will entail point of manufacture and point of entry inspections. Effort will be mainly directed at the source whilst some effort will be directed at retailers and distributors to gather intelligence and decrease the number of non-compliant products in the South African market.

Port of entry enforcement

Finding non-compliant products in the marketplace is evidence of regulatory challenges and failure. The Port of Entry Surveillance Approach will respond to such challenges by decreasing the probability of non-compliant goods entering the South African marketplace.

Due to the large volume of imported products into South Africa and the fluid nature of trade, regulatory efficiency and effectiveness will be improved through intelligent utilisation of information technology.

Review and Innovate

It is essential that the NRCS develops an effective quality assurance process to ensure that a culture of ongoing learning, improvement and innovation is cultivated. Such an approach will ensure that the required impact of the regulator is achieved and that there is a focus on quality outcomes rather than on activities. Furthermore, all approaches, methodologies, business processes and procedures will be continually reviewed and re-engineered to keep them current, efficient and effective.

PART C: MEASURING OUR PERFORMANCE

13. Outcomes, Outputs, Performance Indicators and Targets

Each of these goals is linked to a set of strategic (measurable) objectives which are in turn linked to key performance indicators and targets in the organisation's Strategic Plan. Furthermore, the APP will track progress made towards achieving these goals over the three-year cycle.

Strategic Goal One: To develop, maintain and administer compulsory specifications and technical regulations

The NRCS will increase the scope of regulatory coverage by identifying and developing new compulsory specifications that provide the optimal balance between the needs of the consumers and the South African industry in compliance with the NRCS' mandate.

Resources will be dedicated to maintaining a range of compulsory specifications and technical regulations in accordance with government priorities, industry requirements and market analyses conducted by the NRCS. Through this process, the NRCS will conduct impact and risk assessments to determine the feasibility of developing new compulsory specifications/technical regulations, the revision and amendment of existing ones and withdrawal of the compulsory specifications/technical regulations in consultation with relevant stakeholders.

It is the desire of the organisation, through pursuance of this goal, that any product that can potentially harm the consumer and/or the environment and negatively impact on fair trade must be identified and regulated. This principle demands that a central governmental database of all products that can potentially cause harm to the consumer and/or the environment must exist and that plans and processes must be developed for the regulation of all such products.

Effective and efficient regulatory system that is responsive to the environment in which we operate in order to protect the public.

Table 1.1: Annual Targets: Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

Outcome	Output	Output Indicator / Measure	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Estimated Performance 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Build a Regulatory System Responsive to Market needs	Develop a set of Compulsory Specifications (VC)/Technical Regulations (TR) that are responsive to market needs	Number of VC's/Tech Regulations (new, amended or withdrawn) submitted to the dtic	1 new and 4 amended Compulsory Specifications/ Technical Regulations	8 Compulsory Specifications/ Technical Regulations submitted for first gazetting	10 Compulsory Specifications/ Technical Regulations submitted for first gazetting	4 Compulsory Specifications/ Technical Regulations submitted to the dtic	12 Compulsory Specifications/ Technical Regulations submitted to the dtic	12 Compulsory Specifications/ Technical Regulations submitted to the dtic	13 Compulsory Specifications/ Technical Regulations submitted to the dtic

Table 1.2: Cumulative Quarterly Targets: Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
1.1	Number of new, amended or withdrawn VC's/Tech Regulations submitted to the dtic	Quarterly Cumulative	12 Compulsory Specifications/ Technical Regulations	0 Compulsory Specifications/ Technical Regulations	2 Compulsory Specifications/ Technical Regulations	7 Compulsory Specifications/ Technical Regulations	12 Compulsory Specifications/ Technical Regulations

Strategic Goal Two: To maximise compliance with all specifications and technical regulations

The NRCS will seek to improve compliance with compulsory specifications and technical regulations through pre-market approvals, market surveillance and the imposition of sanctions where non-compliances has been identified, utilising the risk-based approach, border enforcement strategy, self-regulation, inspection at source and benchmarking of business models. A number of regulatory interventions will be implemented to reduce the availability of non-compliant products in the market. These interventions will include the traditional NRCS on-site surveillance activities, enforcement, investigations, awareness briefings and communication, and desktop/remote inspections. An inspection will have the desired impact at the source of the product. A quality assurance process will randomly check that these interventions comply with inspection quality standards.

Another specific intervention to be employed to limit the quantum of non-compliant products will be to enforce the requirement that a valid LOA must be pre-approved for all safety critical products entering into or being traded in South Africa. It is expected that the LOA requirement will not apply to labelling prescripts as all products traded must comply with Legal Metrology prescripts.

Table 2.1: Annual Targets: Goal 2: To maximise compliance with all specifications and technical regulations

Outcome	Output	Output Indicator / Measure	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Estimated Performance 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Increased compliance to compulsory specifications and technical regulations	Increase market surveillance activities and enforce compliance through regulations based on sound market intelligence	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units	21 446	20 828	21 552	10 560	19 915	20 261	21 552
		Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products
		Number of inspections conducted on locally produced fishery products (live, chilled and frozen), processed meat products, fishery and meat processing factories and vessels as well as fishery and meat retail inspections, in accordance with the compulsory specification and procedures	2130 inspections	2088 inspections	2150 inspections	1 942 inspections	2 125 inspections	2 187 inspections	2 379 inspections

Outcome	Output	Output Indicator / Measure	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Estimated Performance 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
		Percentage of gaming approval applications processed within the set timeframes	77% of all applications processed within 30 calendar days	96% of all applications processed within 30 calendar days	99,89% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days
		Percentage of approval applications processed within the set timeframes	81% of all approval applications processed within 120 calendar days	79% of all approval applications processed within 120 calendar days	91,8% of all approval applications processed within 120 calendar days	92% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	97% of all approval applications processed within 120 calendar days

Table 2.2: Cumulative Quarterly Targets: Goal 2: To maximise compliance with all specifications and technical regulations

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
2.1	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units	Quarterly Cumulative	19 915	3 983	9 958	14 830	19 915
2.2	Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures	Quarterly Cumulative	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared produced canned fishery and meat products	100% of inspections conducted on all declared produced canned fishery and meat products	100% of inspections conducted on all declared produced canned fishery and meat products	100% of inspections conducted on all declared produced canned fishery and meat products
2.3	Number of inspections conducted on locally produced fishery products (live, chilled and frozen), processed meat products, fishery and meat processing factories and vessels as well as fishery and meat retail inspections, in accordance with the compulsory specification and procedures	Quarterly Cumulative	2125 inspections	528 inspections	1 105 inspections	1 634 inspections	2 125 inspections
2.4	Percentage of gaming approval applications processed within the set timeframes	Quarterly Cumulative	98% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days	98% of all applications processed within 30 calendar days
2.5	Percentage of approval applications processed within the set timeframes	Quarterly Cumulative	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days

Strategic Goal Three: To inform and educate our stakeholders about the NRCS

NRCS strongly believes that awareness of the role and mandate of the regulator as well as awareness of technical regulations and the respective compliance requirements, contributes significantly to voluntary compliance. This goal will be achieved through effective communication initiatives, the shaping of perceptions through the media and targeted training and awareness campaigns. A positive, credible, professional image of the NRCS will shape attitudes towards compliance. A respected regulator who is perceived to be fair and effective and to hold sufficient power to enforce compliance is likely to be a deterrent to potential transgressors.

Table 3.1: Annual Targets: Goal 3: To inform and educate our stakeholders about the NRCS

Outcome	Output	Output Indicator / Measure	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Estimated Performance 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Informed Stakeholders on NRCS functions	Public awareness platforms and events	Number of stakeholder consumer education events or campaigns	20 Consumer education events or campaigns	21 Consumer education events or campaigns	19 Consumer education events or campaigns	10 Consumer education events or campaigns	18 Consumer education events or campaigns	10 Consumer education events or campaigns	13 Consumer education events or campaigns
		Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy	Stakeholder Engagement Strategy Approved by NRCS CEO	75% implementation of the Stakeholder Engagement Strategy	88% implementation of the Stakeholder Engagement Strategy	60% implementation of the Stakeholder Engagement Strategy	100% implementation of the Stakeholder Engagement Strategy	80% implementation of the Stakeholder Engagement Strategy	90% implementation of the Stakeholder Engagement Strategy

Table 3.2: Cumulative Quarterly Targets: Goal 3: To inform and educate our stakeholders about the NRCS

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
3.1	Number of stakeholder consumer education events or campaigns	Quarterly Cumulative	18 Consumer education events or campaigns	3 NRCS consumer education events or campaigns	8 NRCS consumer education events or campaigns	13 NRCS consumer education events or campaigns	18 NRCS consumer education events or campaigns
3.2	Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy	Quarterly	100% implementation of the Stakeholder Engagement Strategy				100% implementation of the Stakeholder Engagement Strategy

Strategic Goal Four: To ensure an optimally capacitated institution

This goal will be achieved when the NRCS effectively and efficiently utilises all available resources in the most optimal manner. The NRCS will have:

- Human Resource capacity that is highly engaged, skilled and competent
- An ICT Platform that fully supports the business
- Review the NRCS funding model
- Sound financial management and supply chain management systems
- Sound and effective support structures
- Sound and effective governance structures

Table 4.1: Annual Targets: Goal 4: To ensure an optimally capacitated institution

Outcome	Output	Output Indicator / Measure	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Estimated Performance 2020/21	Target 2021/22	Target 2022/23	Target 2023/24
Increase effectiveness of human resources (NRCS employees)	A capacitated organisation with relevant systems to support business	Percentage (%) of vacancies. Vacancy rate of approved and funded posts	6%	6%	5%	5%	5%	5%	5%
	Build IT platform and systems that supports and improve business	Percentage (%) implementation of Modernization related projects	ICT Master System Plan developed and approved	100% implementation of ICT Master System Plan	50% implementation of Modernization related projects	Implementation of Enterprise Resource Planning System –Human Resources Modules	100% implementation of Enterprise Resource Planning System	30% implementation of the NRCS Operations System	100% implementation of the NRCS Operations System

Table 4.2: Quarterly Targets: Goal 4: To ensure an optimally capacitated institution

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
4.1	Percentage (%) of vacancies. Vacancy rate of approved and funded posts	Quarterly	5%	5%	5%	5%	5%
4.2	Percentage (%) implementation of Modernization related projects	Quarterly	100% implementation of Enterprise Resource Planning System	-	-	-	100% implementation of Enterprise Resource Planning System

14. Alignment to the Joint dtic Indicators/Outcomes

JOINT INDICATOR 1

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 NRCS	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 measures enacted by NRCS to drive industrialisation that supports economic recovery; covering industry Master Plans, localisation initiatives across the economy, COVID-Industrial Interventions and beneficiation.	This indicator will be resourced from the budget of NRCS Strategic Goal 2	

JOINT INDICATOR 2

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 NRCS	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	<p>Four quarterly reports on:</p> <ul style="list-style-type: none"> a) Harmonisation of compulsory specifications and or technical regulations b) Activities and outcomes of SADC, AFRIMETS and other continental technical infrastructure committees and forums c) Mutual recognition agreements with member states to facilitate trade d) Other trade facilitation activities within the NRCS regulated scope e) Legal Metrology e-mark scheme covering the existing registered firms and the addition of further entities to the scheme to allow manufacturers to export throughout SADC and African continent without having to go through further technical regulatory processes as the e-mark is universally accepted. 	This indicator will be resourced from the budget of NRCS Strategic Goal 1 and 2	

JOINT INDICATOR 3

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 NRCS	Resourcing (MTEF Budget Allocation)	
Report on investment facilitation and growth: steps taken to support new levels of investment in key sectors developed	Four quarterly reports on investment support within the: <ul style="list-style-type: none"> a) NRCS regulated scope b) Participation and support to various master plans c) Oceans economy through-out the world 	This indicator will be resourced from budget for Strategic Goal 2	

JOINT INDICATOR 4

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 Development Model and Spatial equity including incorporating all work within the District Model		
Annual dtic Target/s	Contribution by NRCS	Resourcing (MTEF Budget Allocation)	
District Development Model and Spatial equity including incorporating all work within the District Model	<p>Four quarterly reports by NRCS on:</p> <ul style="list-style-type: none"> a) Implementation of its stakeholder engagement strategy which covers consumer and stakeholder awareness of the NRCS mandate and compliance requirements. b) Enforcement strategy and technical support to give effect to the District Development Model c) Support to national, provincial and local governments and other government agencies d) How NRCS work impacts on different Districts and Metros 	This indicator will be resourced from the budget of Strategic Goal 2 and 3	

JOINT INDICATOR 5

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 NRCS	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	<p>Four quarterly reports on action taken to:</p> <ul style="list-style-type: none"> a) Increase the number of BBBEE compliant companies as Legal Metrology verification and repair laboratories b) The number of previously disadvantaged persons qualified as verification officers for the private laboratories and verification bodies. c) NRCS Procurement d) Technical support offered to designated groups to enable compliance and participation in all other NRCS activities 	This indicator will be resourced within the budget for Strategic Goal 2	

JOINT INDICATOR 6

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 NRCS	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 development, adoption and implementation of compulsory specifications and or technical regulations to support the green economy or the greening of the economy	This indicator will be resourced from budget for NRCS Strategic Goal 1 and 2	

JOINT INDICATOR 7

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 NRCS	Resourcing (MTEF Budget Allocation)	
Review of unnecessary red tape and compliance reporting requirements in DTIC entities and programmes; monitoring implementation times of DTIC services	<p>Four quarterly reports on:</p> <ul style="list-style-type: none"> a) Implementation of the Enterprise Resource Planning System b) Ease of doing business – IT Regulatory System design and development to allow for end to end processing of pre-market approvals and market surveillance inspections c) Ease of doing business – online declaration of levies d) Implementation of risk based approach to approvals and inspections e) Improved efficiency in approvals processing by the NRCS f) Measures implemented to address the revenue qualification 	This indicator will be resourced from NRCS Strategic Goals 2, 3 and 4	

15. Updated Key Risks

Outcome	Key Risks	Current Controls	Risk Mitigation
A Regulatory System Responsive to Market needs	Unregulated markets/ products/ services (regulated environment that the NRCS operates in)		Agreement with the SABS
		Scientific Articles, Internet Research & stakeholder engagements	Partnership/ Agreements with reputable research institutions
		MOU's, Minister's Directives, compulsory	Enter in to agreements with all Government departments and entities which NRCS is performing work on behalf of, Identify and partake in government stakeholder forums, review of the NRCS Act
		CSP350 VC/TR development, Impact assessment, Feasibility and Risk Assessments	Review Risk Assessment Methodology
		Technical Specialists conducting Research	Partnership/ Agreements with reputable research institutions, Organisational Review (Human Resources)
		Participation of NRCS on Harmonisation committees	Participation on identified Harmonisation Committees, Document process on voting and or resolve Mandate from the SA government and NRCS Leadership for all Committees
		Conformity Assessment Policy	Implementation Plan for VCs where there is no local testing

		Manual Operating Systems	Modernisation Project
		CSP350 VC/TR development, Impact assessment, Feasibility and Risk Assessments	Participation of the Shareholder in the VC/TR development process and mapping out governance process, understanding of the dtic processes in VC/TR approval process
Increased compliance to compulsory specifications and technical regulations	Non-compliant regulated products in the market	Risk Based Approach, Inspection procedures	Implementation of RBA Plans, Voluntary compliance
		Marketing and Communications Plan, Regional Offices	Implementation of the Marketing Plan (naming and shaming), Provide resources to Marketing and Communications
		HR Strategy	HR Plan
		MOU with SABS	Testing Framework, Testing Service level Agreement with the SABS and identified Conformity Assessment Bodies, Overseas Testing
		Border Enforcement Strategy, Pre-approval, Market Surveillance, and sanctioning Processes	Review effectiveness of the NRCS Regulatory Model
		Consumer concerns, customer complaints, inspection databases and approvals databases, Natis Database	Electronic access to SARS Database, Modernisation - Regulatory System
		Risk Based Approach, Cancellation Policy	Implementation of Risk based Approach,

		None	Develop and Implement e-commerce strategy
		Business Plans	Ensure Inspection plans adequately/effectively cover the market
			Review terms of reference with the Shareholder e.g the dtic /NRCS quarterly Meeting
		5 Year Implementation Plan	Implement the 5 year plan for Legal Metrology
		File Plan	Share Point, Modernisation
		Stakeholder Management strategy, JDE and Operational Databases	Review and implement Stakeholder Management strategy, review databases for accuracy
		Lease Agreements in Pretoria, Durban, Cape Town	Storage in Durban, Cape Town, Pretoria and Office accommodation in Bloemfontein, Renovation of PE Building
Increased compliance to compulsory specifications and technical regulations	Inadequate sanctioning of non-compliances	Special Investigations Unit	Capacitation of Special Investigations
		Bilateral Agreements	Bilateral Agreement import Countries, Import Regulation for regulated food products
		MOU with SABS	Service level agreement with SABS Testing and other service providers

		Sanctions procedure	MOU with SAPS, review current NRCS processes in terms of escalation from NRCS operations to Special Investigations
		Inspection records, approvals files	Act review being conducted by the dtic , NRCS to make submissions
			Review Inspection records and processes
Economical, efficient and effective accomplishment of NRCS mandate and sound corporate governance	Inadequate IT Systems	Appointed Modernisation Project manager	Structure Review, Resource company appointment
		Outsourced ICT Services to service provider (Gartner)	Resource company to provide human resources to support NRCS IT Team
		Staff development on Cyber security and the firewall implemented in the new IT infrastructure	ICT to review the IT security, develop and implement a security strategy
		Microsoft Access and Excel Database is currently used to manage Data.	Modernisation Project
		JDE Financial System, Sibel	Review of Modernisation project plan, elevation of project to ensure continuous reporting, Appointment of resource company to augment resources
		Acting CIO, provision of budget for ICT investment	Appointment of resource company,
		Segregation of duties	Fraud assessment

Increased compliance to compulsory specifications and technical regulations	Fraud and Corruption	Fraud, Risk and Loss Control Committee	Fraud , Risk and Loss Control, review of the Asset Management policy to incorporate liability and losses and review of vehicle policy to incorporate the liability and losses
		Internal Audit Investigations	Review investigations procedure and implementation of the results thereof
		Conflict of Interest policy	Consequence management
		LOA control processes	Review Approval process to incorporate mandatory checks or consistent statistical checks
		Fraud and Risk Policy.	Review Fraud and corruption processes and all processes susceptible to fraud and corruption, fraud awareness, consequence management

16. Overview of 2021/22 Budget and MTEF estimates

	Audited outcome	Audited outcome	Audited outcome	Approved budget	Medium-term estimate		
R thousand	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Administration	42 231	47 101	49 443	62 118	64 931	67 853	70 906
Maximise compliance with all specifications and technical regulations	232 270	264 298	290 663	358 914	371 728	420 632	439 560
Develop, maintain and administer compulsory specifications and technical regulations	7 446	8 965	8 962	11 729	11 706	12 662	13 232
Inform and educate stakeholders on the regulator's mandate	6 155	7 252	6 970	16 251	16 029	16 750	17 504
Ensure an optimally capacitated institution	58 295	235 161	79 128	78 385	82 649	89 418	93 441
Total expense	346 397	562 777	435 166	527 397	547 043	607 315	634 644

Statement of Financial Position

Statement of financial performance	Audited outcome	Audited outcome	Audited outcome	Original Budget	Revised budget	Medium-term estimate		
R thousand	2017/18	2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Revenue								
Tax revenue	–	–	–	–	–	–	–	–
Non-tax revenue	302 162	291 156	353 027	407 385	307 452	390 695	459 766	485 632
Sale of goods and services other than capital assets	281 840	267 441	325 645	354 110	294 709	377 047	428 576	453 039
<i>Sales by market establishment</i>	281 840	267 441	325 645	354 110	294 709	377 047	428 576	453 039
<i>Other non-tax revenue</i>	20 322	23 715	27 382	53 275	12 743	13 648	31 190	32 594
Interest, dividends and rent on land	19 458	23 080	26 000	17 272	12 276	12 818	11 000	11 495
Transfers received	128 745	146 104	139 501	144 230	127 932	144 099	147 550	149 012
Total revenue	430 907	437 260	492 528	551 615	435 384	534 794	607 316	634 644
Expenses								
Current expenses	346 397	562 777	435 166	551 615	527 397	547 043	607 315	634 644
Compensation of employees	280 262	306 835	335 470	412 383	413 027	422 422	456 339	476 874
Goods and services	60 866	249 792	92 616	133 317	107 011	118 412	144 458	150 959
Depreciation	5 085	6 150	7 013	5 656	7 100	5 938	6 233	6 513
Interest, dividends and rent on land	184	–	67	259	259	272	285	298
Total expenses	346 397	562 777	435 166	551 615	527 397	547 043	607 315	634 644
Surplus/(Deficit)	84 510	(125 517)	57 362	–	(92 013)	(12 249)	–	–

Balance Sheet

Financial position	Audited outcome	Audited outcome	Audited outcome	Budget estimate	Approved budget	Medium-term estimate		
	2017/18	2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Carrying value of assets	22 130	27 130	33 393	161 394	94 216	96 106	97 606	101 998
<i>of which:</i>								
<i>Acquisition of assets</i>	(3 118)	(3 000)	(7 391)	(5 546)	(36 000)	(26 000)	(5 600)	(5 852)
Investments	328	328	323	328	328	346	346	362
Receivables and prepayments	72 742	72 742	109 177	65 742	120 095	102 080	91 873	96 007
Cash and cash equivalents	286 642	286 642	297 345	163 361	163 361	129 399	175 000	182 875
Total assets	381 842	386 842	440 238	390 825	378 000	327 932	364 825	381 242
Accumulated surplus/(deficit)	300 902	305 902	347 683	325 243	295 418	257 360	298 987	312 441
Accrued interest	932	—	—	—	—	—	—	—
Deferred income	—	—	—	—	—	—	—	—
Trade and other payables	18 927	18 927	67 277	8 000	25 000	12 550	12 550	13 115
Provisions	61 081	62 013	25 278	57 582	57 582	58 022	53 289	55 686
Total equity and liabilities	381 842	386 842	440 238	390 825	378 000	327 932	364 826	381 243

Cash-flow Statement

Cash flow data	Audited outcome	Audited outcome	Audited outcome	Budget estimate	Approved budget	Medium-term estimate		
R thousand	2017/18	2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Cash flow from operating activities	61 733	45 435	97 826	(26 553)	(42 851)	4 944	5 055	105
Receipts								
Non-tax receipts	261 605	310 000	316 356	369 695	369 695	365 000	374 000	390 830
Transfers received	128 745	146 104	139 501	144 230	127 932	144 099	147 550	149 012
Total receipts	390 350	456 104	455 857	513 925	497 627	509 099	521 550	539 842
Payment								
Current payments								
Compensation of employees	269 942	314 184	267 297	419 215	419 215	400 000	410 000	428 450
Goods and services	58 675	96 485	90 734	121 003	121 003	104 155	106 495	111 287
Interest and rent on land	–	–	–	260	260	–	–	–
Total payment	328 617	410 669	358 031	540 478	540 478	504 155	516 495	539 737
Cash flow from advancing activities (Financial Institutions only)	–	–	–	–	–	–	–	–
Cash flow from investing activities	(3 118)	(5 000)	(8 048)	(20 546)	(66 000)	(41 000)	(10 600)	(11 077)
Acquisition of property, plant, equipment and intangible assets	(3 118)	(3 000)	(7 391)	(5 546)	(36 000)	(26 000)	(5 600)	(5 852)
Investment property	–	–	–	–	–	–	–	–
Acquisition of software and other intangible assets	–	(2 000)	(657)	(15 000)	(30 000)	(15 000)	(5 000)	(5 225)
Other flows from investing activities	–	–	–	–	–	–	–	–
Cash flow from financing activities	(1 011)	–	(22 908)	–	–	–	–	–
Borrowing activities	–	–	(22 700)	–	–	–	–	–
Repayment of finance leases	(1 011)	–	(208)	–	–	–	–	–
Other flows from financing activities	–	–	–	–	–	–	–	–
Net increase / (decrease) in cash and cash equivalents	57 604	40 435	66 870	(47 099)	(108 851)	(36 056)	(5 545)	(10 972)

Capital Expenditure Projects and Infrastructure Plans:

Capital expenditure, including infrastructure plans, includes the following:

- Refurbishment of the Port Elizabeth building (office accommodation) with the intention of NRCS occupying this building, \
- Refurbishment of the NRCS Pretoria Offices
- Replacement of ICT equipment and procurement of new ICT software and hardware
- Replacement and procurement of new laboratory equipment

	2020/ 2021	2020/ 2021	2021/2022	2022/2023	2023/2024
	Actual	Budget	Budget	Budget	Budget
Buildings	-	25 100	25 100	10 040	2 510
Furniture	250	10 615	10 615	4 246	1 061
Machinery and equipment	748	5 078	5 077	2 031	508
Software & other intangible assets	7 320	62 000	47 000	18 800	4 700
Computer hardware	6 053	13 500	10 000	4 000	1 000
Motor vehicles	-	1 200	1 200		
Total	14 372	117 493	98 992	39 117	9 779

Infrastructure Plans:

NRCS does not have any infrastructure projects.

Public Private Partnerships:

NRCS's does not have any Public Private Partnerships.

Dividend Policy

NRCS does not declare dividends

17. Annexure A: NRCS ICT strategy

i. Executive Summary

The NRCS Information and Communication Technology is in a process of implementing key projects in responding to the NRCS Strategic Plan. The implementation of an IT Infrastructure capable of meeting the NRCS IT needs is critical in achieving the strategic goals of the Organization. The IT infrastructure is the backbone to enable all systems that the NRCS will require in achieving these goals as set on the strategy. The ICT strategic choices are an implementation of a Customer Relationship Management System (CRM) and Enterprise Resource Planning (ERP) systems which will include but not limited to Human resources, Payroll, Supply Chain Management and Financial management modules. The CRM system will support the regulatory functions in the approvals, inspection processes, and to manage NRCS clients. The recommendations are that NRCS management give ICT full support to participate and benchmark against the best practice in the world, to track and keep up with the latest technology and to provide ICT with budget that will enable the roll out of the ERP and CRM systems, in responding to the NRCS business objectives.

ii. Business context

The NRCS has embarked on a process to review the business needs in a holistic manner. This would require an analysis of the core and supporting business activities, and their underlying processes to determine where these activities are efficient and where they can be improved. The business review process will also include the specification design for the implementation of an ERP solution and CRM system for the organization. The main business objective is to introduce improvements on key business processes and controls, thereby rendering them to be effective, efficient and flexible to meet new business demands.

a) External Influences & Drivers for the ICT

Rapid Changes in technology

- The way in which technology changes is a driver in how we plan and manage the IT Estate. The Internet, wireless networking, broadband, data/ IP telephony integration, video conferencing, “mobile” and “intelligent” devices are already influencing the way in which a company delivers and supports its core services and is placing ICT department under constant pressure to accommodate a diverse range of devices, software and services.
- Rise of flexible working and tele-commuting.
- More technology players, lower cost of communications & technology, such as Smartphone’s
- Ease of access to information requirements.
- The rise of ‘big data’, predictive analytics and intelligent forecasting and reporting tools.

Availability of “off the shelf” software to impact ICT process, e.g. recording, tracking and reporting. It is important for IT departments to anticipate future demands for infrastructure capacities, IT skills and service delivery models. This can only be achieved if we aggressively participate in the global village, benchmark against the best in the world.

Changes in Sourcing IT and Service Delivery

The ICT industry is innovating in the way services are provided. There are various ways of sourcing ICT Services like SaaS (*Software as a service*), PaaS (*Platform as a service*) where services are provided in the cloud. Outsourcing, managed service agreements, utility

based charging are becoming common options for sourcing IT services. The NRCS will constantly assess and adjust its ICT provision to optimize its sourcing arrangements to ensure mobility, interoperability and sustainability.

b) SWOT Analysis

We used the SWOT framework to analyze the ICT organization's strengths, weaknesses, opportunities and threats as shown in Figure: 1

<p>Client satisfaction</p> <p>Good understanding of the core business by ICT staff</p> <p>Adequate controls and procedures are consistently applied (Policies & Procedures)</p> <p>Increasing dependence on ICT by the business</p>	<p>Under resourced or Limited Resources (Staff & Equipment)</p> <p>Security stance falls short of best practice</p> <p>Diversity of inherited technical architecture</p> <p>Lack of Urgency in Policy Implementation</p> <p>IT is not a decision maker</p>
<p>Involvement of ICT in organisation's decision making process (ICT being a business enabler)</p> <p>New technologies can provide new functionality and business value.</p> <p>Increasing ICT literacy of users</p> <p>Cost saving through ICT systems</p>	<p>The lack of representation in decision making committees like EXCO.</p> <p>Business Units making decisions and commitments which impact on ICT Department without consultation</p> <p>Limited Staff/IT Resources</p> <p>Turnaround time in acquiring new technology</p>

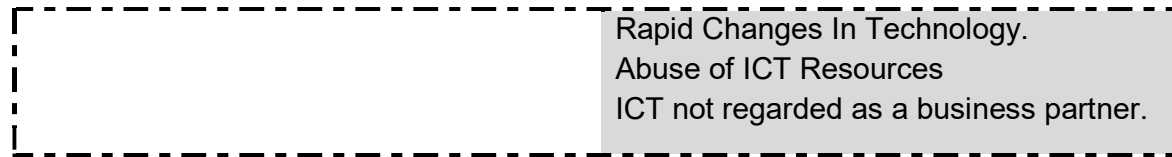


Figure 2: SWOT Analysis

Based on the SWOT analysis above, it is recommended that IT implement an IT structure and source additional resources and close the gap to improve service delivery to its stakeholders. Also management to support the IT business unit strategically and financially, working together to achieve NRCS business objectives.

iii. Business Objectives

The NRCS aims to achieve its mandate through the following core business process as outlined below:

- Review and innovation - to develop an effective quality assurance process to ensure that a culture of ongoing learning, improvement and innovation is cultivated, to ensure that the required impact of the regulator is achieved.
- Conduct research - to determine those compulsory specifications and technical regulations that should be introduced to ensure that the health and safety of the South African public and the environment are protected, as well as to ensure fair trade. Market surveillance and regulatory supervision – To maximize compliance with all specifications and technical regulations.
- Set compulsory specifications and technical regulations – To develop, maintain and administer compulsory specification and technical regulations
- To inform and educate our stakeholders about the NRCS

- To ensure an optimally capacitated institution

ICT Strategic Objectives

The ICT business unit has focussed its strategic directions through the following objectives in order to achieve the business objectives above.

- **Accessibility** - The provision of reliable, quick and secure access to NRCS information services.
- **Mobility**- Ensuring access to NRCS information and systems by staff and customers while they are remotely performing their duties to improve productivity.
- **Collaboration**- Ensuring interoperability between information systems and with other organizations and their information systems (inter departmental and external Information sharing).
- **Security**- Ensuring authorized access to NRCS information systems and the dissemination **of such information. (The NRCS cannot afford that the IS/ICT components become** compromised as this may seriously jeopardize the core objectives that the NRCS is required to perform).
- **Presentation** - Ensuring the presentation of management information to assist in decision-making processes – Support for optimally capacitated institution
- **Analysis** - Enabling the analysis of regulatory information, organizational resource and administrative information for better future planning.
- **Stability** - To ensure a stable IT environment with early warning systems.
- **Responsiveness** – To ensure IT is responsive to the NRCS business needs.

ICT Key Performance Areas

To modernize NRCS business processes through the following:

- Roll out a new ERP system
- Roll out a new CRM system
- Improving IT capability maturity to improve productivity.
- Benchmark against best practices every year to maximize the use of ICT.

The benefits of implementing the IT Strategy for the NRCS.

ICT Department believes this strategy will result in:

- Compliance with IT Governance as stated in the King IV report on IT Governance
- Compliance with DPSA on ITCG
- ICT Department staff having time to engage with the business, and research and introduce innovative solutions.
- Documentation of processes leading to less dependence/pressure on key individuals;
- Reduced technological complexity
- Improved involvement, understanding and ownership by Business Units of projects involving ICT;
- ICT department's annual Business/Project Plans being clearly linked to the overall strategic direction of the Organization;
- improved income collection capability by implementing better systems (completeness of revenue);
- Better communication and more effective public relations through customer relations management systems.

IT Strategic Choices

The main business objective is to introduce improvements on key business processes and controls, thereby rendering them to be effective, efficient and flexible to meet new business demands. The NRCS IT has chosen the following strategic choices within the next Five (5) years to be able to function and to have a competitive edge as illustrated on the table below:

System Name (Strategic Choices)	Purpose of the System – Business value
ERP System Implementation covering Financial Systems, Payroll and Human Resource Information System	Financial systems will enable the NRCS to be able to manage its finances and complying with statutory requirements and also keeping records. The system will incorporate auditable trails and early warning system to avert potential fraud. The payroll management system for the management of payment of salaries that is reliable with early warning system for potential fraudulent activities.
CRM – Approvals and Inspection System	The HRIS will enable the NRCS to manage human resource using online technologies which includes E-Appraisal, E-Claims, E-Leave, E-Booking, E-Training, E-Library and E-Payslip.
	The Approvals and Inspection System will enable field workers to access and record valuable information that will assist them in making critical decisions on site. This system will also enable field workers to capture information instantly and such information will be available for use in decision making within a short space of time as compared to weekly or monthly.

Business Capabilities

People and Culture

a. Capability Maturity Model

The central message behind these models is that the more formalized and mature an organization's ICT management processes become, the closer ICT investments are aligned with the business and the more value is derived from those investments. The term "IT Governance" is increasingly used to describe the processes an organization implements to assure that its ICT investments generate business value and to mitigate the risks that are associated with ICT projects. Gartner has developed a 5 level capability maturity model for service and operations management as shown in the Figure below.



Gartner Capability Maturity Model

According to research from Gartner the vast majority of organizations processes operate at either level 1 or level 2, with as little as 12% reaching level 3 and 1% operating at level 4.

Within the NRCS, the ICT Department believes that while most of our processes operate at level 1, some are still at level 0. The NRCS needs to operate at between level 2 or 3 in order to be able align ICT with Business objective and reap the reward of ICT investment. ICT is striving to improve from level 1 to level 2 within the next 5 years, this will be achieved through putting in place controls and best practices to be able to predict and prevent risks associated with ICT use and to ensure a reliable, secures and accessible IT Infrastructure.

b. The VCS (Value, Capacity and Support) business model

In order for the ICT department to succeed, the following success factors as per the VCS business model should be carefully considered, which is adding value with necessary capacity to implement and there is sufficient support to ensure that the ICT department will not fail.

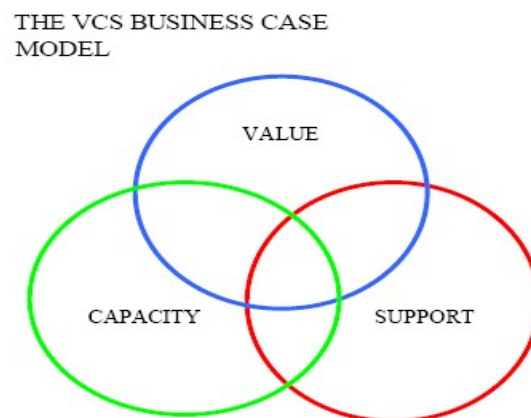


Figure 4: The VCS Business Model

The balance between Value, Capacity and support should be struck in order for the IT department to function properly. Some of these positions can be filled temporary when they are needed through consulting. Consulting is widely used within the ICT environment in cases where a resource is required to fulfill a task that is not permanent but critical, i.e developing a database. The ICT Department will consider using these means to ensure that the NRCS get value for money from all its resources.

Ecosystem

NRCS will continue its joint operations with SARS to be able to gain accurate timely data about the movement of goods in and out of borders, ports of entries etc. this process will be automated and integrated with the relevant stakeholders to improve broader management process.

ICT aims to advance in technology and transform NRCS systems to keep up with the collaboration and ecosystems that face the NRCS and its stakeholders, such as Industrie 4.0, Internet of things. The IT Strategy will cultivate the culture of change and innovation with NRCS internal and external users, embarking the missteps as bridges to future success. This will be achieved through development of data governance, privacy and security frameworks to embrace virtual agents by implementing adaptive data governance processes.

Information and Technology

Governance structure

ICT management is expected to implement structures, processes and governance mechanisms for the effective and efficient management of ICT to facilitate the achievement of corporate objectives. In addition to ensuring that the risks and costs associated with IT are properly controlled, IT will measure and manage IT performance and report the results to the Executive and related Committees (ARC & IT Steering Committee).

The ICT Strategy must have the backing of the NRCS IT Steering Committee and will be under the overall direction of the CEO of NRCS, operationally it will be managed by the Chief Information Officer (CIO). The strategic goals defined within the ICT Strategy will be linked to a more detailed IT annual/project plan with detail budgetary provision made through the Annual Planning Process.

Management Responsibilities through IT Steering Committee

The Accounting Authority should specify the decision rights and accountability framework to encourage the desirable culture in the use of IT. A risk committee and audit committee should assist the NRCS Management in carrying out its IT responsibilities. The IT steering committee will assist and advise the Chief Information Officer (CIO) with ICT governance and in fulfilling the mandate to the Organization. *Reference from King IV on IT Governance*

ICT responsibility

ICT Governance - The ICT Department will implement IT controls framework which comprises of Accounting controls (“General” controls, Application” controls and “User” controls) and Administrative controls. Review current policies and procedures and also implement new ones to ensure they meet current requirements as per audit guidelines. All ICT policies will be made available to NRCS employees.

Legal requirements - The NRCS will comply with all legislation relating to Information and Communication Technology.

User Support - To implement a reliable infrastructure capable of addressing the NRCS business need. Continuous improvement of IT resources to ensure user satisfaction.

Staff Competencies - ICT Staff Skills – In order to meet developments in ICT and changing needs, technical skills of IT staff will continue to be developed through a variety of learning means. The ICT Department will provide a Skills Development Plan (SDP) for its staff in accordance to the needs.

Staff complement – to consider and implement an IT structure to fill the gap, balance the needs of NRCS business and to improve ICT productivity and service delivery.

ICT Strategic plan and Principles

The NRCS ICT strategy will be achieved by providing the required resources, allocation of a budget fit for the needs of the organization and prioritizing the IT Agenda in the NRCS.

The following strategic principles have been set to provide guidance while making ICT initiatives and decisions towards achieving the IT Strategy.

Strategic Principles	Strategic Action Plan
Mobility	The Approvals and Inspection System (CRM) - will enable field workers to access and record valuable information that will assist them in making critical decisions on site. This system will also enable field worker to capture information instant and such information will be available for use in decision making within a short space of time as compared to weekly or monthly.
Interoperability	This will be achieved through adoption of open standards based hardware, software and protocols, in order to ensure on going interoperability, it will be required that IT equipment must not be retain for more than 5 years. ICT will maintain the infrastructure for the NRCS core IT services on a rolling programme basis and formally address equipment replacement and systems upgrade.
Sustainability	<p>To Sustain the IT environment with necessary improvements by ensuring the continuation of ICT delivery and performance levels, this will be accomplished by maintaining and enhancing current systems, expanding and renewing tools and equipment, Applications and ensuring that there is sufficient User Support for these systems</p> <p>This ICT Goal and Strategy aims at ensuring the continuous availability, effectiveness and efficiency of current ICT that are utilized by the NRCS in pursuit of all its priorities.</p>

Strategic Principles

Based on the IT Vision, mission and Goals the following key objectives have been identified and will be achieved using the COBIT5 framework

Strategic Objectives	Strategic Action plan
Accessibility	To provide reliable, quick, secure and user friendly access to NRCS information services
Mobility	Ensuring access to NRCS information and systems to both our internal and external users.
Collaboration	Ensure information sharing amongst NRCS stakeholders (inter departmental and external Information sharing).
Security	Ensure critical and confidential information, and IT assets is only available to those who need it.
Analysis	Enabling the analysis of regulatory information
Integration	To ensure that ICT systems are integrated and can share the information and data
Stability	To ensure a stable IT environment with early warning systems.
Presentation	Ensuring the presentation of management information to assist in decision- making processes
Responsiveness	To ensure IT is responsive to the NRCS needs

Strategic Objectives

Metric's

Implementation Plan (Roll out Plan)

The Implementation plan is a management tool with will assist in realizing the strategy. The implementation plan or rollout plan of the strategy will be outline in detail on the IT plans and matrix which will be monitored on a monthly basis through internal IT reporting. The Implementation Plan provides a prioritized list of activities that the IT Department will be doing for the financial year in question.

Service Delivery Model

More cost effective ways of acquiring ICT are through techniques as insourcing, outsourcing, transaction-based pricing and open source software. ICT will contribute to the NRCS finances and risk management through adoption of appropriate cost effective models through outsourcing its services to service providers to deliver value for money through cost-efficiency and lower total cost of ownership. Optimize the IT applications, infrastructure, resources and capabilities to support the NRCS.

Risks

The inevitable increasing use of the internet and the accommodation of access to user owned devices (laptops, tablets. PDAs, etc) from remote and unknown locations create security risks that can severely disrupt ability of the NRCS to function normally. Information breaches, denial of service, hacking, sabotage and theft is a major concern, also most prevalent are virus attacks which are becoming more pervasive and sophisticated requiring rapid responses to contain and remove, Thus the maintenance of a stable infrastructure is now as important as new developments.

The NRCS IT will ensure that proper risk assessment and risk mitigation is in place to identify, prevent or reduce any major disruptions. The key focus will be directed to the ability of the ICT department to regain services in case of disasters caused by these risks. This will be achieved through the development and adoption of Information Technology Policies and Procedures to help manage the risks to information and information systems in all forms. Additionally, all areas of the NRCS will be required to carry out a risk assessment at least annually and to take action appropriate to the risks identified. ICT will act as a centre of expertise and support all areas of the NRCS as needed for IT security, IT disaster recovery and information back up in compliance with Minimum Information Security Standards (MISS).

Conclusion

It is the NRCS's ability to respond to the changing needs of the core business that makes the design proposal in this strategy so compelling. Implementing fundamental changes of this magnitude will require careful planning and expert project management. Many of the software and hardware products that are proposed in this strategy will be new to the ICT staff, the intention is to build implementation teams made up of internal staff and external experts so that the relevant knowledge and skills are acquired during the implementation cycle. The staffing profile in the ICT Department will change in line with the proposal in the strategy. Acquiring a new infrastructure will be costly in the short term but however the investment in technology must be part of the overall strategy to improve service delivery and achieving the NRCS's goals.

18. Annexure B: Summary of Human Resources Strategy

In ensuring that the organization delivers on its mandate, the Human Resources Unit's role remains that of delivering the required human resource capacity to the organization.

a. Functions of Human Resources Services

Focus Area	Functions
Recruitment of competent employees	<ul style="list-style-type: none"> Recruitment and selection of competent and skilled Human Resources for all NRCS departments and regions Provide support to line departments during the recruitment and selection process Provide recruitment services through partnership with accredited service providers to supply the required candidates with the right skills specific for NRCS Conduct exit interviews to determine reasons for turn-over rate and implement corrective actions
Human Resource Management and Administrative Services	<ul style="list-style-type: none"> Administration and management of employee information Provide management information reporting Policy development and implementation
Remuneration & Benefits administration	<ul style="list-style-type: none"> Develop remuneration and reward strategy in line with best practices Develop and implement reward and recognition programmes aimed at attraction and retention of employees Manage effective implementation of NRCS remuneration system Administration of employees' benefits through effective and accurate payroll input system
Organisational Development and Transformation	<ul style="list-style-type: none"> Efficiency management through business optimisation and continuous improvement. Effective implementation and maintenance of the Performance Management system Develop and implement a Change Management intervention to ensure effective implementation of NRCS strategic objectives Organisational transformation through effective stakeholder management and communication Job profiling and job grading to ensure standard remuneration practices for all jobs of equal value for equal pay
Learning and Development	<ul style="list-style-type: none"> Tend to learning and development needs for NRCS Development and implementation of training initiatives through the Work Place Skills plan and Competency Development Programmes to ensure capacity building to deliver on NRCS mandate Manage and maintain training standards in line with statutory requirements Facilitate outcome-based accredited learning programmes through accredited service providers

Focus Area	Functions
	<ul style="list-style-type: none"> • Develop and implement knowledge management governance structure and management tools • Induction and Orientation programmes to effectively induct new employees • Administration of the bursary system to ensure adequate skills supply
Employee Relations	<ul style="list-style-type: none"> • Render advisory services in terms of employer-employees' relations as governed by the various labour laws • Create a suitable labour environment for the NRCS to effectively carry out its mandate • Build sound labour relations within NRCS and with external stakeholders • Facilitate the grievances and Disciplinary processes to ensure correction of ineffective behaviours • Provide dispute resolution services • Undertake stakeholder management and effective communication

b. Situational analysis

Human Resources Division offering to the NRCS is largely administrative. The challenge is to move towards a highly geared team with the optimal leverage of operational and strategic levels. From a delivery perspective, business processes and technology play an integral role in the execution of an effective Human Resources strategy.

i. External Analysis

The NRCS management recognises the economic, social and political environment (within South Africa) that exists and within which the NRCS operates. Factors with significant implications for the NRCS Human Resources management relate to the changing composition of the South African workforce, in terms of age, gender and racial distribution. The NRCS seeks to ensure that its workforce is a reflection of the South African population demographics, in line with governmental policies.

NRCS will continue to analyse and remove the systemic organisational barriers to designated groups' advancement and encourage diversity in all levels of the organisation. Programmes such as a new Employment Equity Plan and Employment Equity strategies become vital in ensuring a diverse workforce.

A comprehensive approach to personal and professional development is necessary so that the NRCS can create the career opportunities and reward structures that contribute to ongoing job satisfaction and, hence, retention.

ii. Internal environment

Within NRCS, the Human Resources Unit is a centralised function that operates within a complex and dynamic framework where a range of external challenges intersect with the unique technical environment. Its role is to provide advice and support to business on Human Resources issues. Within this framework, effective Human Resources management processes that facilitate continual employees learning and development (creating a learning organisation), improve leadership capacity in the technical areas and encourage skills transfer between experienced and young technical employees are required. Such processes are central to the achievement of our intended outcomes and cultural change that enhances institutional equity and diversity, high morale, commitment, trust, willingness to embrace change and high productivity.

c. Culture; Organisation; People and Systems (COPS)

Analysis of the internal environment includes culture; organization; people and systems. Also by looking at the current state of these dimensions that present the idealised state, our Human Resources programmes must be geared to addressing.

i. Culture and People

The NRCS will create a culture based on the following:

Culture of collaboration and team work

Accountable and responsible officials

Culture of high performance

Leadership in management

Every idea counts – valuing of diversity of people and their ideas

Innovation is encouraged and recognised

Open, honest and consistent communication

Empowerment of employees through delegations of authority

ii. Organisation

The Organisation is being built on the following building blocks:

- Integrated workforce planning aligned to strategic business plans for all business units and Work study processes used to determine organisational people resources
- Organisational Structure is reviewed and signed off and displayed on the intranet for all employees to view
- Appropriate policies and standard operational procedures
- Role Clarity
- All jobs have job descriptions on the standard template and these are used as the basis for designing job adverts
- Matrix organisation as a management tool to be identified where it is utilised in the organisation and all employees in such a set up are informed about it and what is expected of them
- Bursary scheme to support the core skills requirements of NRCS and overall business objectives

d. Human Resources Strategic Framework

The NRCS Human Resources operational policies, processes and procedures continuously evolve as the various elements of the Human Resources strategy are implemented. However, in order to successfully meet the new NRCS strategic Human Resources objectives, fundamental roles, responsibilities, processes and accountabilities require review and revision. The HR Strategy provides a transformational approach to realigning NRCS's organisation policies, people, process and technology to meet defined human resources demands.

Organisation and People

- A business and customer-centric human resources strategy
- A new integrated human resources service delivery business model
- Sound labour relations
- A revised human resources organisation structure

- Revised roles for human resources

Human Resources Business Processes

- Optimisation of human resources business processes to ensure organisational efficiency
- Integration of entire human resources value chain from human resources governance framework to service delivery

Technology

- Knowledge based systems
- Efficient use of the CR System as a human resources data base repository and employee and manager self-services tool

19. Annexure C: NRCS Communications plan

Target Market	Objective	Communications Platforms	Rationale/key messages
Industry	To inform and educate the industry about the rights and obligations in relation to the compulsory specifications	<ul style="list-style-type: none"> • Industry meetings • Website • Industry publications • Media liaison activities, e.g. media statements, alerts and media briefings 	<ul style="list-style-type: none"> • Compulsory specifications • Regulations • Amendments to the specs • NRCS Business info • General info • Communication with key strategic stakeholders
Staff	Inform NRCS employees of the key programmes of the organisation	<ul style="list-style-type: none"> • Intranet • Pop-up via NRCS IT facilities • Newsletter • Bulk-sms • Website • Email • Staff meeting • Notice board • Internal Communications Forum • Internal events 	
Government Institution	To educate NRCS strategic partners about the role of the organisation to improve working relations and co-operation	<ul style="list-style-type: none"> • Information sharing sessions • Joint operational activities • Quarterly information sharing workshops • Website • Publication – Annual Reports, Strategic Plans • Meetings 	
Consumers	To inform and educate consumers about the role of the organisation	<ul style="list-style-type: none"> • Mall Visit Campaigns • Information booklet • Community Meetings • Exhibitions 	

		<ul style="list-style-type: none"> • Newspapers adverts • Billboards • Radio and television campaigns • Open day events • Metro bus branding • Social media campaigns 	
Media	To educate stakeholders about the role of the organisation	<ul style="list-style-type: none"> • Media networking sessions • Media roadshows • One on one sessions with journalists • Press briefings • Distribution of media statements, alerts • Meeting with editors • Opinion letters • Contributing articles to magazines and newspapers 	<ul style="list-style-type: none"> • Effective to communicate non-compliance • Popularise events and programmes of the NRCS

20. Annexure D: Materiality Framework

a. Significance level

Definition

Section 54(2) of the Public Finance Management Act, 1999, as amended states that – “Before a public entity concludes any of the following transactions, the Accounting Authority of the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for the approval of the transaction:

- Establishment or participation in the establishment of a company;
- Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
- Acquisition or disposal of a significant asset;
- Commencement or cessation of a significant business activity
- Significant change in the change or extent of its own interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.”

A transaction is significant if conducting the transaction is vitally important to fulfill the organization’s mandate and for the organisation to operate effectively.

Significance is larger than materiality as significant transactions may impact the organisation as a whole. The transaction may be material but not significant whereas all significant transactions are material.

b. NRCS assessed level

The organisation will submit relevant particulars of the transactions to the CEO for approval of those transactions to be disclosed to treasury. In addition to the transactions listed above, the following transactions will be regarded as significant and will require full disclosure:

- Acquisition of assets exceeding the budgeted amount
- Reporting of the materiality framework

The materiality and significance framework will be updated annually as part of the strategic planning process and be included in the strategic plan.

c. Framework of acceptable levels of materiality and significance

Treasury Regulations

For purpose of “material [section 50(1), 55(2) and 66(1) (c) of the Act] and significant” [section 54(2) of the Act], the accounting authority must develop and agree on a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with external auditors”

Material		NRCS Level for 2020/21
Section 50	<p>The accounting authority of a public entity must-</p> <p>(c) On request, disclose to the executive authority responsible for the public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way influence the decision or actions of the executive authority or that legislature.</p>	<p>Material amount: 0.85% of total revenue</p> <p>Quantitative – Any fact discovered which amount exceeds the above materiality figure. Any item or event for which specific disclosure is required by law. Any fact discovered of which its omission or misstatement in the entity’s opinion, could influence the decisions or actions of the executive authority or legislature.</p>
Section 55	<p>The annual report and financial statements must:</p> <p>Fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned.</p> <p>Include particulars of any material losses through criminal conduct and any irregular expenditure that occurred during the financial year.</p>	<p>Quantitative - Any losses through criminal conduct. Any losses through irregular / fruitless / wasteful expenditure</p> <p>Qualitative - Any item or event which specific disclosure is required by law. Any fact discovered of which its omission or misstatement in the entity’s opinion, could influence the decisions or actions of the executive authority or legislature.</p>
Section 66 (1)	<p>Any institute to which this Act apply may not borrow money or issue a guarantee in indemnity or security, or enter into any other transaction that bind or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transactions:</p> <p>Is authorised by this Act; and</p>	<p>All non-compliance events / transactions will be disclosed.</p>

Material		NRCS Level for 2020/21
	In the case of public entities, is also authorised by other legislation not in conflict with this Act	
Section 54(2)	<p>Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction-</p> <p>Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement</p> <p>Acquisition or disposal of a significant shareholding in a company</p> <p>Acquisition or disposal of significant asset</p> <p>Commencement or cessation of significant business activity</p>	<p>Not applicable</p> <p>Not applicable</p> <p>Any asset that would materially increase or decrease the operational function of the entity, outside the approved strategic plan and budgeted</p> <p>Not applicable</p>

21. Annexure E: Summary of fraud and corruption

a. Purpose of the Fraud and Corruption

The NRCS will not tolerate any level of fraud and corruption and is committed to zero tolerance to fraud and corruption. The NRCS aims to maintain high ethical standards and highest standard of prevention, detection and remediation of fraud and corruption. All NRCS employees (permanent and contracted employees) are expected to be responsible and accountable for ensuring compliance to this policy, effective fraud and corruption control and reporting of fraud and corruption where applicable.

b. Objectives of this plan

The NRCS has adopted a clear, effective framework and approach to fraud prevention which encompasses controls that have the following objectives:

- **Prevention:** Ensuring that the risk of fraud, corruption and misconduct is prevented and or avoided in advance of occurrence
- **Detection:** Ensuring that the risk of fraud is discovered when it occurs and preventative measures are implemented to ensure that there is no repetition of the fraud
- **Response:** ensuring that corrective action is taken and the harm caused by fraud, corruption or misconduct is cured

To achieve its fraud prevention objectives, the NRCS will:

- Identify fraud risks and review and update the fraud prevention policy and strategy every 3 years.
- Provide fraud awareness training to all employees with particular emphasis on those employees who are considered to be in positions that require fraud awareness training
- Ensure all staff and stakeholders are aware of NRCS' initiatives of fighting fraud and combating corruption
- Encourage and promote professional and ethical business practice
- Aim to identify fraud through regular reviews of the NRCS business processes
- Clearly communicate how suspected instances of fraud may be reported
- Assign responsibility for instant response to the occurrence

- Investigate alleged or suspected instances of fraud and corruption using qualified personnel and professionals with experience in investigative techniques
- Take appropriate action to deal with instances of actual, suspected or alleged fraud and corruption including prosecution of persons and or organisations for fraud offences where and when appropriate
- Use all possible avenues to recover funds or property lost through fraudulent activity
- Ensure the interaction with the media in terms of reported and or alleged cases promptly
- Preserve evidence and report to the police.

c. Principles of this policy

- Creating a culture which is intolerant to fraud and corruption;
- Deterrence of fraud and corruption;
- Preventing fraud and corruption which cannot be deterred;
- Detection of fraud and corruption
- Investigating detected fraud and corruption; and
- Taking appropriate action against fraudsters, for example, prosecution and/or disciplinary action.

d. Definition of fraud and corruption

In South Africa, the Common Law offence of fraud is defined as “the unlawful and intentional making of a misrepresentation which causes actual and/or potential prejudice to another”. The term “fraud” is also used in a wider sense by the general public. In this regard, the term is used in this document in its widest possible meaning and is intended to include all aspects of economic crime and acts of dishonesty. In other words, fraud can be described as any conduct or behaviour of which a dishonest representation and/or appropriation forms an element. The general offence of corruption is contained in Section 3 of The Prevention and Combating of Corrupt Activities Act. This section provides that any person who gives or accepts or agrees or offers to accept / receive any gratification from another person in order to influence such other person in a manner that amounts to:

- The illegal or unauthorised performance of such other person’s powers, duties or functions;

- An abuse of authority, a breach of trust, or the violation of a legal duty or a set of rules;
- The achievement of an unjustified result; or
- Any other unauthorised or improper inducement to do or not to do anything.

Corruption in its wider meaning, and as referred to in this document, includes any conduct or behaviour where a person accepts, agrees or offers any gratification for him/her or for another person where the purpose is to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse of a position of authority or a breach of trust or violation of duty.

Forms of corruption

Corruption takes various forms in society. The following are examples of different types of corruption.

Bribery - Bribery involves the promise, offering or giving of a benefit that improperly affects the actions or decisions of NRCS's employee.

Theft – This involves theft of resources by persons who control such resources. Fraud- Any conduct or behaviour of which a dishonest representation and/or appropriation forms an element

Extortion – Coercion of a person or entity to provide a benefit to an NRCS' employee, another person or an entity, in exchange for acting (or failing to act) in a particular manner

Abuse of power - The use by a NRCS's employee of his or her vested authority to improperly benefit another employee, person or entity (or using vested authority to improperly discriminate against another employee, person or entity).

Conflict of interest – The failure by an employee to act or to consciously fail to act on a matter where an employee has an interest or another person or entity that has some form of relationship with an employee has an interest.

Abuse of privileged information – This involves the use, by an employee, of privileged information and knowledge that an employee possesses as a result of his/ her office to provide unfair advantage to another person or entity to obtain a benefit.

Favouritism – The provision of services or resources according to personal affiliation (for example cultural or religious) of an employee.

Nepotism - An employee ensuring that family members, associates or friends are appointed to a particular position within NRCS or that family members or associates receive contracts from NRCS

These manifestations are by no means exhaustive as corruption appears in many forms and it is virtually impossible to list all of these.

e. Roles and responsibilities

NRCS's management is responsible for internal control including fraud control and corruption prevention. All NRCS employees are responsible to keep NRCS free from fraud and corruption and to refrain from engaging in fraudulent or corrupt behaviour.

This is achieved by:

- maintaining the highest standard of personal and professional ethics in accordance with the NRCS Code of Conduct;
- maintaining awareness of the potential for fraud and corruption; and
- promptly reporting any instances of fraud and corruption to management and/or nominated officers who all have a duty to properly deal with such information.

Roles and responsibilities are defined as:

Responsibility: Chief Executive Officer as the Accounting Officer is legally obliged under PFMA to report, and will report, all instances of fraud to the The Department of Trade, Industry and Competition (**the dtic**) and the Auditor General. Where evidence is assessed as giving a reasonable belief that a serious criminal offence has occurred, the CEO is compelled by Criminal Procedure Act to forward the necessary information for further investigation and/or prosecution to South African Police Services and/or The National Director of Prosecutions.

21. Technical Indicator Descriptions

Strategic Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

1. Indicator title	Number of VC's/Tech Regulations (new and amended) submitted to the dtic , submitted for 1 st and 2 nd gazetting
2. Definition	Number of New and Amended Compulsory Specifications/ Technical Regulations submitted to the dtic for first gazetting. The process is as per the CSP 350 procedure. The VC development, amendment and withdrawal process is the same and thus the CSP process is followed requiring same effort from the NRCS.
3. Source/collection of data	NRCS Senior Management meeting minutes for proof of approval and confirmation of receipt by the dtic .
4. Method of calculation	Simple count addition of the different compulsory specifications or technical regulations
5. Means of verification	The dtic submission documentation
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A. Meant for all South Africans
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative reporting
11. Desired performance	Performance level prior to COVID-19 Pandemic
12. Indicator responsibility	RRD General Manager

Goal 2: To maximise compliance with all specifications and technical regulations

Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units.

1. Indicator title	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units.
2. Short definition	The number of inspections carried out to determine, whether any or all of the requirements of a compulsory specification are met, by sampling regulated products on the market and examining them against the relevant compulsory specification. An inspection may be conducted physically or remotely, evidence of which shall be kept on file.
3. Source/collection of data	Manual Inspection Records or CRM Inspection Electronic records
4. Method of calculation	Counting and adding the number of inspections per inspector in a given cycle
5. Means of verification	Inspection records and electronic inspection registers
6. Assumptions	Determines compliance to requirements of compulsory specifications.
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Lead	Automotive, CMM, Electro-technical and Legal Metrology
11. Reporting cycle	Quarterly
12. Desired performance	20 995

13. Indicator responsibility	Divisional General Managers
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Locally Produced Fisheries

1. Indicator title	Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures
2. Short definition	% Number of inspections conducted on consignments or productions of canned fish, canned meat in accordance with the compulsory specification, divisional procedures and applicable legislation. A production consists of packages/containers of various quantities of a specific product with a specific production code.
3. Source/collection of data	The source of this data is inspection reports or CRM electronically captured inspection report
4. Method of calculation	Percentage of Number of productions or consignments inspected as a percentage of number of productions or consignments declared by the importer or producer
5. Means of Verification	Inspection records and electronic inspection records
6. Assumptions	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying products.
7. Disaggregation of Beneficiaries	N/A.
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly and annual basis reports are generated
11. Desired performance	To inspect all productions of canned fish and meat produced in South Africa.
12. Indicator responsibility	The General Manager of the Division.

Strategic Goal 2: To maximise compliance with all specifications and technical regulations

1. Indicator title	Number of inspections conducted on locally produced fishery products (live, chilled and frozen), meat products (processed and canned meat), fishery and meat processing factories and vessels as well as fishery and meat retail inspections, in accordance with the compulsory specification and procedures
2. Short definition	Number of inspections conducted on locally produced fishery and meat products, fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures.
3. Source/collection of data	The information is based on the actual number of registered facilities at a given time and the source document is the Manual Inspection form or the Electronic CRM inspection report
4. Method of calculation	Number of inspections conducted. Quantitative
5. Means of Verification	Inspection records and electronic inspection records
6. Assumptions	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying facilities.
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative reporting
10. Reporting cycle	Quarterly and annual basis reports are generated
11. Desired performance	All inspections conducted as per forecasted number of facility inspections.
12. Indicator responsibility	The General Manager of the Division.

Percentage of Approvals Issued within 120 calendar days

1. Indicator title	Approval applications processed within 120 calendar days
2. Short definition	Number of calendar days to process approvals from the date the full application is received by the NRCS to the date approved or rejected. That is from the date the full application plus the non-refundable fee has been received to the date the approval is granted.
3. Source/collection of data	<ul style="list-style-type: none"> • CRM system • LOA databases • Approvals Databases
4. Method of calculation	Manual Quantitative Counting
5. Means of Verification	LOA Application files and electronic registers
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly
11. Desired performance	Decrease in non-compliance rate
12. Indicator responsibility	The General Managers

Percentage of approvals for Gaming Equipment processed

1. Indicator title	Percentage of gaming approval applications processed within the set timeframes
2. Short definition	Number of calendar days to process gaming equipment approvals from the date the full application is received by the NRCS to the date approved or rejected. That is from the date the full application plus the non-refundable fee has been received to the date the approval is granted.
3. Source/collection of data	<ul style="list-style-type: none"> • CRM system • LOC Approvals Database
4. Method of calculation	Manual Quantitative Counting
5. Means of verification	LOC Application files and electronic registers
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly
11. Desired performance	Decrease in non-compliance rate
12. Indicator responsibility	General Manager Metrology

Strategic Goal 3: To inform and educate our stakeholders about the NRCS

1. Indicator title	Number of stakeholder consumer education events or campaigns
2. Short definition	Consumer educational events or campaigns are designed to disseminate information to the general public that utilises the Regulated commodities. This is an initiative to create a platform for the South African citizens to notify NRCS of non-compliant products that may be on the market.
3. Source/collection of data	Attendance registers and proof of attendance by stakeholders
4. Method of calculation	Manual count number of stakeholder consumer awareness campaigns. Quantitative
5. Means of verification	Proof of event or registers
6. Assumptions	The Indicator is used to measure the rate at which NRCS is disseminating information to the general public
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation type	Cumulative
10. Reporting cycle	Quarterly Cumulative
11. Desired performance	Increase in the Awareness of NRCS activities to level prior to COVID-19 Pandemic
12. Indicator responsibility	Head Communications and Marketing.

Strategic Goal 3: To inform and educate our stakeholders about the NRCS

1. Indicator title	Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy
2. Short definition	The number of stakeholder engagements held by the NRCS in relation to the development and implementation of compulsory specification or regulations administered by the NRCS
3. Source/collection of data	Meeting minutes and or attendance registers of the engagements
4. Method of calculation	Simple count and percentage against the target
5. Means of Verification	Proof of event or engagement or attendance registers
6. Assumptions	The Indicator is used to measure stakeholder participation by stakeholders and broadening participation by stakeholders. Assumptions is that each engagement is by representative sample of the industry, stakeholders or regulated industry company representatives
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	Included are small and medium enterprises
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative
11. Desired performance	100% implementation of stakeholder engagement strategy
12. Indicator responsibility	Head of Business Units

Strategic Goal 4; To ensure an optimally capacitated institution

1. Indicator title	Percentage (%) of vacancies. Vacancy rate of approved and funded posts
2. Short definition	The percentage number of vacant funded positions on the structure as a percentage of total number of the approved positions on the NRCS organizational structure
3. Source/collection of data	Approved organizational structure, NRCS signoff budget and the employee database
4. Method of calculation	Percentage
5. Means of Verification	Employee statistics and Approved Organogram analysis
6. Assumptions	The Indicator is used to measure efficiency in NRCS recruitment and ensure NRCS is a capacitated organization
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative
11. Desired performance	4% vacancy rate or less
12. Indicator responsibility	Head Human Resources

Strategic Goal 4; To ensure an optimally capacitated institution

1. Indicator title	% implementation of the Enterprise Resource System
2. Short definition	NRCS to ensure that the NRCS has the requisite ICT infrastructure which supports business operations.
3. Source/collection of data	ERP system and Availability of the approved documents
4. Method of calculation	Verify the availability and/or existence of the new ERP System implemented and at testing phase
5. Means of Verification	ERP System availability
6. Assumptions	The Indicator is used to measure whether the NRCS has adequate IT infrastructure and resources that will ensure that it becomes efficient and move away from paper-based processes to automation
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative average
11. Desired performance	New ERP deployed
12. Indicator responsibility	Head: ICT