NRCS ANNUAL PERFORMANCE PLAN FOR

2020/21– 2022/23

30 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

Mr Ebrahim Patel - Minister of Trade, Industry and Competition

The NRCS Revised Annual Performance Plan 2020/21, is hereby submitted in accordance with the Revised Framework on Strategic and Annual Performance Plans.

MR EBRAHIM PATEL

MINISTER OF TRADE, INDUSTRY AND COMPETITION

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. This amended Annual Performance Plan is submitted at a challenging time within the global economy due to the impact of COVID-19. The NRCS has not been spared and will negatively be impacted in terms of delivery of its services and revenue. It is imperative that the strategic approach and operations of the organisation are responsive to the market need and the challenging environment. In response thereto, the organisation has themed its strategy in order to "*preclude presence of non-complaint 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 give effect to trade within the African Continent and other regional trading blocks.
- 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 expands and strengthens the scope of legal metrology in line with the LM Act, 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 in to account the current dynamic environment, 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 regulate safety-critical products and undertake surveillance activities to ensure that products being traded in the South African economy comply with the relevant compulsory specifications / technical regulations. The NRCS will also vigorously implements sanctions for non-compliance.

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

- 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 the technical regulations development process

- Sanctions are instituted where non-compliances are found

- Participation in international, continental and regional forums.

The NRCS's Strategic Plan and Annual Performance plan intends 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 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 utilisation of the 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 various positions.

E Mamadise

Chief Executive Officer

5. Official sign-off

It is hereby certified that this Amended 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 with which the NRCS will work towards achieving during the medium-term period 2020/21 – 2022/23

E Matemba   Signature: _____

Manager Strategy and Risk

Date: 30 March 2021

R. Ramcharran

Chief Financial Officer

Date: 30 March 2021   Signature: _____

A Thulare

Chief Operations Officer

Date: 30 March 2021   Signature: _____

E. Mamadise

Chief Executive Officer   Signature: _____

Date: 30 March 2021

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-invigorated 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-invigorated 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 SADCMEL (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 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
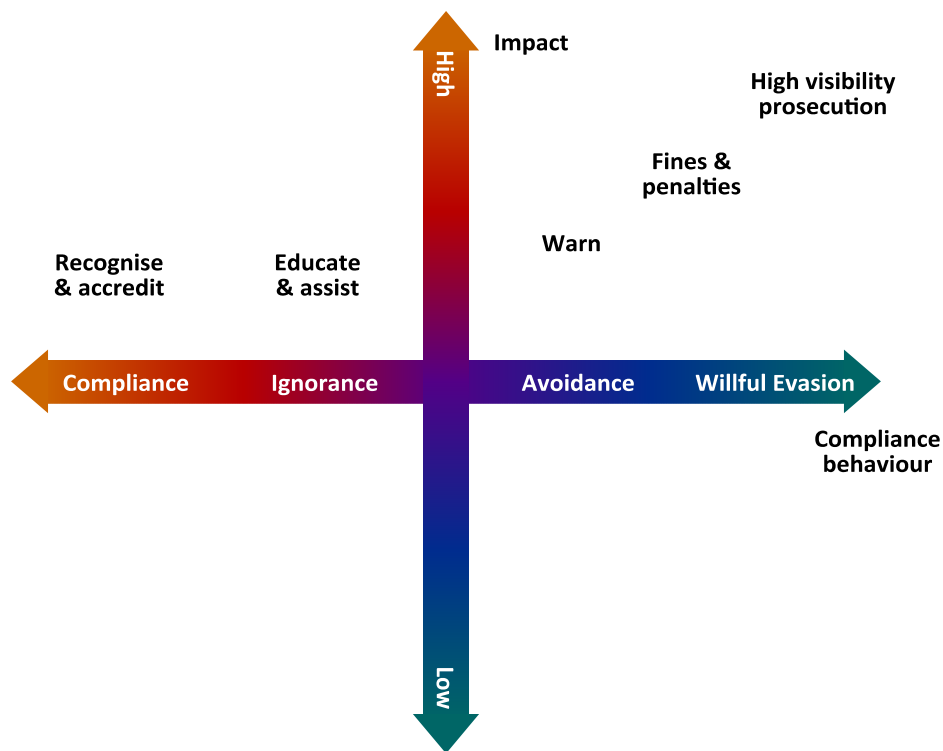
Regulating at Source

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 in to 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 Building Standards and Building Regulations Review Board. The Review Board was declared unconstitutional, and the Constitutional Court Judgement allowed NRCS to only adjudicate on cases received prior to the Constitutional Court Judgement.

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 Bill assign 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.

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 and the environment or that do not fall short of the declared measure. The NRCS is also tasked to provide technical support as and when required by **the dtic**.

The strategic context within which the NRCS operates is characterised by two significant trends. The first is the increasing sophistication and activism of consumers. 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.

a. ECONOMIC

The external strategic environment within which South Africa trades and the NRCS operates has been characterised by rapid and fundamental economic change. The recent global economic downturn has seen an increase in global competition with companies having to supply products and services to a limited consumer marketplace, thereby placing extreme pressure on their margins and profitability, which has the potential to result in the production of sub-standard and non-compliant products.

b. TECHNOLOGY

The NRCS external environment is characterised by rapid technological growth. Such a rapidly changing environment requires the NRCS to be pro-active and adopt technology by introducing compulsory specifications and technical regulations that are on par with technological changes.

Internally, the NRCS is working towards developing a dynamic digital environment by investing in an updated IT platform. The updated IT platform will have a significant transformational impact on the NRCS and its traditional approach to business. In addition, interaction between the NRCS and its stakeholders will improve with the introduction of online communication.

Technology will provide an opportunity to enable remote surveillance in order to ensure that non-compliant products are locked-out of the local marketplace, prior to entering trade. It will

also provide an opportunity for intelligence gathering, data mining and effective risk profiling to ensure that regulatory enforcement activity is well focused and resources are utilised optimally.

c. 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 economically, 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 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 accordance with principles of good governance.

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.

13. Outcomes, Outputs, Performance Indicators and Targets

The mandate of the NRCS will be executed by pursuing the following **four key strategic goals.**

Priority 1: All safety critical products in the scope of NRCS' regulatory work, either regulated or planned for regulation.

Priority 2: No non-compliant products in trade.

Priority 3: Consumers and other stakeholders have improved recognition and awareness of NRCS and its work.

Priority 4: Efficient and effectively functioning organisation

- **Strategic Goal One**: Effective and efficient regulatory system that is responsive to the environment in which we operate in order to protect the public.

- **Strategic Goal Two:** Full compliance with compulsory specifications / technical regulations

- **Strategic Goal Three:** Recognition and awareness of the NRCS

- **Strategic Goal Four:** Sound, effective and efficient organisational governance

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 2016/17	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
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** for public comment (first or second gazette)	5 Compulsory Specifications/ Technical Regulations	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	6 Compulsory Specifications/ Technical Regulations submitted for first gazetting	5 Compulsory Specifications/ Technical Regulations submitted for first gazetting	6 Compulsory Specifications/ Technical Regulations submitted for first gazetting

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** for first or second gazette	Quarterly Cumulative	6 Compulsory Specifications/ Technical Regulations	0 Compulsory Specifications/ Technical Regulations	0 Compulsory Specifications/ Technical Regulations	1 Compulsory Specifications/ Technical Regulations	6 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 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 2016/17	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
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	20 261	21 446	20 828	21 552	10 449	14587	21 115
		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	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.
		Number of inspections conducted on locally produced Frozen products and fishery ,processed meat, canned meat processing factories and vessels including the retail inspections in accordance with the compulsory specification and procedures	1 989 inspections	2130 inspections	2088 inspections	2 150 inspections	2 366 inspections	2425 inspections	2537 inspections

Outcome	Output	Output Indicator / Measure	Audited Performance 2016/17	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
		Percentage of gaming approval applications processed within the set timeframes	94% of all applications processed within 30 calendar days	77% of all applications processed within 30 calendar days	96% of all applications processed within 30 calendar days	99,87% 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	54% of all approval applications processed within 120 calendar days	81% of all approval applications processed within 120 calendar days	79% of all approval applications processed within 120 calendar days	91,81% 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

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	8 691	686	2 938	6 875	10 449
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	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 Frozen products and fishery ,processed meat, canned meat processing factories and vessels including the retail inspections in accordance with the compulsory specification and procedures	Quarterly Cumulative	2 366 inspections	0 inspections	1 183 inspections	1 893 inspections	2 366 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	92% of all approval applications processed within 120 calendar days	92% of all approval applications processed within 120 calendar days	92% of all approval applications processed within 120 calendar days	92% of all approval applications processed within 120 calendar days	92% 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.

The introduction of the NRCS Mark or accreditation is also seen to be a key strategic tool that will build on the organisational brand and also provide added assurance for stakeholders when choosing regulated products and services.

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

Outcome	Output	Output Indicator / Measure	Audited Performance 2016/17	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Informed Stakeholders on NRCS functions	Public awareness platforms and events	Number of stakeholder consumer education events or campaigns	12 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	12 Consumer education events or campaigns	20 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	65% implementation of the Stakeholder Engagement Strategy	75% implementation of the Stakeholder Engagement Strategy	100% 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	10 NRCS consumer education events or campaigns	0 NRCS consumer education events or campaigns	1 NRCS consumer education events or campaigns	6 NRCS consumer education events or campaigns	10 NRCS consumer education events or campaigns
3.2	Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy	Quarterly	65% implementation of the Stakeholder Engagement Strategy				65% 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 2016/17	Audited Performance 2017/18	Audited Performance 2018/19	Audited Performance 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
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	12%	6%	6%	5%	6%	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	ICT Master System Plan developed and approved	100% implementation of ICT Master System Plan	50% implementation of Modernization related projects	50% Implementation of Enterprise Resource Planning System Human Resources and Finance Modules	100% implementation of Enterprise resource Planning System and Operations/Modernisation Systems	100% implementation of Modernization related projects

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	6%	-	-	-	6%
4.2	Percentage (%) implementation of Modernization related projects	Quarterly	50% Implementation of Enterprise Resource Planning System Human Resources and Finance Modules	Appointment of Service Provider for Enterprise resource planning Systems	-	-	50% Implementation of Enterprise Resource Planning System Human Resources and Finance Modules

14. 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

Increased compliance to compulsory specifications and technical regulations	Non-compliant regulated products in the market	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 thedtic 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 thedtic /NRCS quarterly Meeting
		5 Year Implementation Plan	Implement the 5year 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	**Inadequate sanctioning of non-compliances**	Special Investigations Unit	Capacitation of Special Investigations
		Bilateral Agreements	Bilateral Agreement import Countries, Import Regulation for regulated food products

and technical regulations		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 BU 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 provider resources including EA
		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
		Ms Access and Excel Db is currently used to manage Data.	Modernisation Project
		JDE, 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 CIO, appointment of resource company,
Increased compliance to compulsory specifications and technical regulations	**Fraud and Corruption**	Segregation of duties	Fraud assessment
		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

15. Overview of 2020/21 budget and MTEF estimates

Statement of financial perfomance	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
Sales by market establishment	281 840	267 441	325 645	354 110	294 709	377 047	428 576	453 039
Other non-tax revenue	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)**	**–**	**–**

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,

- Procurement of office accommodation in Cape Town and Bloemfontein

- Procurement of pool vehicles to replace current vehicles and to enable NRCS to discharge its mandate.

- Replacement of ICT equipment and procurement of new ICT software and hardware

- Replacement and procurement of new laboratory equipment,

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

16. 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

S	W
Client satisfaction	Under resourced or Limited Resources (Staff & Equipment)
Good understanding of the core business by ICT staff	Security stance falls short of best practice
Adequate controls and procedures are consistently applied (Policies & Procedures)	Diversity of inherited technical architecture
Increasing dependence on ICT by the business	Lack of Urgency in Policy Implementation
	IT is not a decision maker

O	T
Involvement of ICT in organisation's decision making process (ICT being a business enabler)	The lack of representation in decision making committees like EXCO.
New technologies can provide new functionality and business value.	Business Units making decisions and commitments which impact on ICT Department without consultation
Increasing ICT literacy of users	Limited Staff/IT Resources
Cost saving through ICT systems	Turnaround time in acquiring new technology

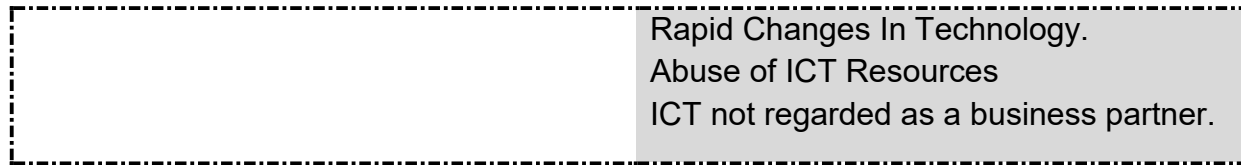|	Rapid Changes In Technology. Abuse of ICT Resources ICT not regarded as a business partner.

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 Perfromance 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.
	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.
CRM – Approvals and Inspection System	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.
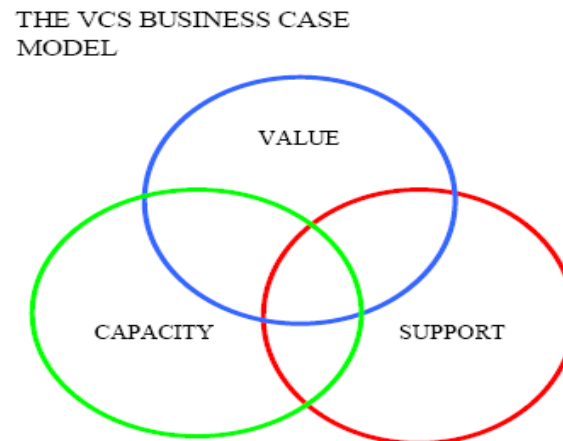

THE VCS BUSINESS CASE MODEL

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 boarders, 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	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 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.

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

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.

17. 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	- 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	- Administration and management of employee information - Provide management information reporting - Policy development and implementation
Remuneration & Benefits administration	- 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	- 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	- 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
	• 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	• 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

18. 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	• Industry meetings • Website • Industry publications • Media liaison activities, e.g. media statements, alerts and media briefings	• 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	• 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	• 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	• Mall Visit Campaigns • Information booklet • Community Meetings • Exhibitions	

		• 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	• 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	• Effective to communicate non-compliance • Popularise events and programmes of the NRCS

19. 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 2016/18**
Section 50	The accounting authority of a public entity must- (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.	**Material amount: 0.85% of total revenue** **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.**
Section 55	The annual report and financial statements must: 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. Include particulars of any material losses through criminal conduct and any irregular expenditure that occurred during the financial year.	**Quantitative - Any losses through criminal conduct. Any losses through irregular / fruitless / wasteful expenditure** **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.**
Section 66 (1)	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: Is authorised by this Act; and	**All non-compliance events / transactions will be disclosed.**

Material	NRCS Level for 2016/18
In the case of public entities, is also authorised by other legislation not in conflict with this Act	
Section 54(2) 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-	Not applicable
Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement	Not applicable
Acquisition or disposal or a significant shareholding in a company	Any asset that would materially increase or decrease the operational function of the entity, outside the approved strategic plan and budgeted
Acquisition or disposal of significant asset	
Commencement or cessation of significant business activity	Not applicable

20. 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.

Embezzlement – 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 Department of Trade and Industry (**the dti**) 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 1st gazetting
2.	**Definition**	Number of New and Amended Compulsory Specifications/ Technical Regulations submitted to **the dti** 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 dti**.
4.	**Method of calculation**	Simple count addition of the different compulsory specifications or technical regulations
5.	**Assumptions**	None
6.	**Disaggregation of Beneficiaries**	N/A. Meant for all South Africans
7.	**Spatial Transformation**	N/A
8.	**Reporting cycle**	Quarterly cumulative reporting
9.	**Desired performance**	8 - 1st Gazette and 6 - 2nd Gazette Compulsory Specifications / Technical Regulations
10.	**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.
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. Assumptions	Determines compliance to requirements of compulsory specifications.
6. Disaggregation of Beneficiaries	N/A
7. Spatial Transformation	N/A
8. Lead/ coordinating agency	Automotive, CMM, Electro-technical and Legal Metrology
9. Reporting cycle	Quarterly
10. Desired performance	14 768
11. Indicator responsibility	Divisional General Managers

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. Assumptions	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying products.
6. Disaggregation of Beneficiaries	N/A.
7. Spatial Transformation	N/A
8. Reporting cycle	Quarterly and annual basis reports are generated
9. Desired performance	To inspect all productions of canned fish and meat produced in South Africa.
10. 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 Frozen products and fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures
2. **Short definition**	Number of inspections conducted on locally produced Frozen products and 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.
5. **Assumptions**	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying facilities.
6. **Disaggregation of Beneficiaries**	N/A
7. **Spatial Transformation**	N/A
8. **Reporting cycle**	Quarterly and annual basis reports are generated
9. **Desired performance**	All inspections conducted as per forecasted number of facility inspections.
10. **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**	- CRM system - LOA databases - Approvals Databases
4.	**Method of calculation**	Manual Counting
5.	**Assumptions**	None
6.	**Disaggregation of Beneficiaries**	N/A
7.	**Spatial Transformation**	N/A
8.	**Reporting cycle**	Quarterly
9.	**Desired performance**	Decrease in non-compliance rate
10.	**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**	• CRM system • LOC Approvals Database
4.	**Method of calculation**	Manual Counting
5.	**Assumptions**	None
6.	**Disaggregation of Beneficiaries**	N/A
7.	**Spatial Transformation**	N/A
8.	**Reporting cycle**	Quarterly
9.	**Desired performance**	Decrease in non-compliance rate
10.	**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.
5. Assumptions	The Indicator is used to measure the rate at which NRCS is disseminating information to the general public
6. Disaggregation of Beneficiaries	N/A
7. Spatial Transformation	N/A
8. Reporting cycle	Quarterly Cumulative
9. Desired performance	Increase in the Awareness of NRCS activities
10. 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
5.	**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
6.	**Disaggregation of Beneficiaries**	N/A
7.	**Spatial Transformation**	Included are small and medium enterprises
8.	**Reporting cycle**	Quarterly cumulative
9.	**Desired performance**	100% implementation of stakeholder engagement strategy
10.	**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. **Assumptions**	The Indicator is used to measure efficiency in NRCS recruitment and ensure NRCS is a capacitated organization	
6. **Disaggregation of Beneficiaries**	N/A	
7. **Spatial Transformation**	N/A	
8. **Reporting cycle**	Quarterly cumulative	
9. **Desired performance**	4% vacancy rate or less	
10. **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. 100% implementation will imply HR Modules to be completed by March 2020: (Payroll, Employees Self Service and Performance Management), Finance Modules to be completed by March 2020: (Accounts receivable, Revenue, Accounts Payable, General Ledge (GL), Management Accounting, Budget, Assets, Banking / Treasury and SCM – Modules prioritized as per finance)
5. **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
6. **Disaggregation of Beneficiaries**	N/A
7. **Spatial Transformation**	N/A
8. **Reporting cycle**	Quarterly cumulative average
9. **Desired performance**	New ERP deployed
10. **Indicator responsibility**	Head: ICT