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Be Proudly South African, Buy local to create jobs.

Proudly South African Annual Report

2016/17



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

PROUDLY
SOUTH AFRICAN 

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About Proudly South African

Launched in 2001, Proudly South African is this country's "Buy Local" Campaign which seeks to promote South African business, organisations, products and services that demonstrate high quality, local content, fair labour practices and sound environmental standards. "Buy Local" activism is at the heart of the Campaign.

Proudly SA seeks to strongly influence procurement in the public and private sectors, to increase local production and stimulate job creation. This is in line with the government's plans to revive South Africa's economy, so that millions of jobs can be created and unemployment can be decreased to 15% as per the National Development Plan.

Part of Proudly SA's mandate also includes promoting national pride, patriotism and social cohesion.

Proudly SA continues to have a strong focus on educating consumers, businesses and all state organs about the impact of their purchase behaviour and to drive consumer purchases to support local products and services from key sectors identified by government especially those bearing the logo.

Only businesses which adhere to the Campaign's uplifting and empowering criteria are granted membership and are allowed to use the Proudly SA logo which is a mark of quality.



Mission

Proudly SA's mission is to be an economic prosperity and competitiveness driver and business partner for all South African producers and service providers who are serious about quality and who are committed to creating and sustaining employment and meaningful gain for local industries by joining the organisation.



Vision

Proudly SA encourages the nation to make personal and organisational contributions towards economic growth and prosperity in South Africa, thereby increasing employment opportunities, economic growth and local value add while reinforcing national pride and patriotism.

Values

Proudly SA provides a country-of-origin brand that effectively identifies, differentiates and promotes local companies, their products and services which meet the organisation's criteria.



Strategy & Focus

Proudly SA seeks to strongly influence procurement in public and private sectors to increase local production, influence consumers to buy local and stimulate job creation. This is in line with government's plans to revive South Africa's economy so that millions of jobs can be created and unemployment can be reduced as per the Industrial Policy Action Plan (IPAP) and the National Development Plan (NDP).

Proudly SA fits hand-in-glove with the broader national developmental agenda and the Local Procurement Accord signed in October 2011. The acronym **PRIDE** summarises the organisation's vision, mission and strategic focus.



Local Content
At least 50% of the cost of production must be incurred in South Africa and there must be substantial transformation of any imported materials.



Quality
The product or service must be of a proven high quality. It must, for example, be ISO accredited or have a certificate of any other accreditation organisation.



Fair Labour Practices
The business or enterprise must comply with labour legislation and adhere to fair labour practices.



Environmental Standards
The business or enterprise must comply with environmental legislation and adhere to production processes that are environmentally friendly and acceptable. This includes recycling methods, waste management, carbon footprint reduction, etc.

P Patriotism, Partnership & Productivity

R Reindustrialisation

I Innovation & Competitiveness

D Domestic consumption

E Entrepreneurships and Enterprise, Economic & Exporter development

Key focus areas, as per the Strategic Plan, include:

- Embarking on a national campaign to educate consumers, the private sector and all spheres of the public sector on the economy-wide benefits of buying locally manufactured products and services,
- Rolling out a national campaign to educate the public about the importance of labels of origin, and
- Developing a national supplier database of local products and services.



Chairman's Message

Howard Gabriels

2016 was a year of change both globally and internally at Proudly South African. From a period of relative instability in both, the calendar year ended with changes in management at the highest levels of political leadership and within our organisation.

During all this turbulence, at Proudly South African we nevertheless continued to work on refining and recrafting our message for our members and stakeholders alike. After more than 15 years of existence, we felt it was time to take a new look at what we do and how we do it.

To this end, our value proposition for existing and prospective members was put under the spotlight. Not only was the fee structure re-worked to make membership more attractive and achievable by both large and small corporations, our entire basket of benefits was restocked. We are now reaping the rewards and seeing a significant growth in our membership base across all sectors and company size and turnover. We have built on the existing brand to reposition Proudly South African with a much higher profile, and have achieved our highest awareness levels in many years amongst key stakeholders and the public alike.

I would like to take this opportunity to thank our former CEO, Adv. Leslie Sedibe for his vision for the Campaign over the 5 years of his tenure, and the Interim Chair, Mr Joseph Maqekeni for his leadership between November 2014 and my own appointment in July 2016.

From August 2016, our former CFO, Eustace Mashimbye took on the role of Acting CEO, and this position was formalised in December 2016. I took on the role of Chairman of the Board on 27 July 2016, when a number of board members stood down and were replaced by a committed, new leadership team. I would also like to thank everyone who served the Board so diligently during the previous year.

Over the past few months, there has been a marked strengthening of the organisation's governance structures, including the revitalisation of Board Sub Committees (HR and Remunerations, Finance and Procurement, Audit and Risk, and Membership, Marketing and Communications). A resolution has been taken to introduce a Social and Ethics Committee at the beginning of the 2017/18 financial year.

Our AGM was held during the prescribed period and amongst other issues, the rotation of directors as per our MOI, the approval of the Annual Financial Statements and appointment of auditors, were on the table.

In September, the Board convened a strategy session designed to reposition the Campaign, streamlining the organisation better to focus on the achievement of its key mandate, namely to work together with our stakeholders to alleviate poverty, inequality and above all unemployment.

Where nation building and social cohesion had been the focus of the Campaign previously, we believe that this in and of itself is not enough to contribute to the fulfilment of our mandate, namely to create jobs through the promotion of local procurement. Our new strategy concentrates on the business side of the Campaign – the ‘do good’ rather than simply ‘feel good’ element of its messaging.

Our new strategy has a three-pronged approach:

- To build an effective awareness programme amongst the procurement managers in the public and private sectors of what the Campaign stands for and how they personally and within their institutions can contribute and make a tangible difference to job creation in the country;
- Promote the awareness generally of checking labels of origin that all items are compelled to carry, begging consumers to ask the qualifying question; “Where does this come from?”

- To build stronger relationships with our stakeholders, namely government, labour, business and the community. This is an enormous task, but one which we are approaching systematically to re-build old ties and forge new synergies with bodies and entities that can assist us with our work

These 3 points are now at the core of our Campaign and inform all the activities that we undertake, including the development and launch of our tender monitoring system which tracks government compliance with its own mandate to make local procurement a priority.

Strategic discussions are ongoing with our principals at the **dti**, including with the Minister, the DG and DDG to firm up the organisation’s mandate and to outline the level of support anticipated by Proudly SA from the Department in relation to Proudly SA’s contribution to the attainment of the dti’s re-industrialisation goals as contained in IPAP.

NEDLAC continues to guide and support us in all our endeavours, and their role as ‘parent’ to Proudly South African is as important as that to any child. Our relationship has never been closer and we now have a better mutual understanding of their oversight role of the Campaign, as well as the individual responsibility each of our social partners has for the promotion of the Buy Local ethos and culture.

Proudly SA made a presentation during the year in focus to NEDLAC’s Trade & Industry Chamber on the progress the Campaign has made in achieving its goals as outlined in the Local Procurement Accord.

Our relationship with organised labour is critical in the delivery of our mandate and our presentation at COSATU Western Cape’s annual Buy Local Conference was a deepening of that relationship with the federation. We are actively engaging other large labour federations including NACTU and FEDUSA to replicate this kind of collaboration.

We are also building relationships with other state institutions including DIRCO, to whose Heads of Mission we made a presentation during the year in focus.

In the private sector, whose buy in to our messaging is also critical, we have opened discussions with business bodies such as The Black Business Council and Business Unity SA. Their support and ability to open doors

to their respective constituencies will provide us with access to the all important commercial sector which has the potential, through increased channelling of spend into local procurement, to contribute further to the growth of the economy and to the creation of much needed jobs.

The start of the new fiscal year 2017/18 sees us with a near full complement of staff including two new executive appointments made in April in Jeannine van Straaten, our new Head of Membership, Compliance & Legal and Nareshkumar Patel as CFO.

We close this year and enter the new cycle full of renewed expectations of ourselves, with a new vision, and a re-affirmation from our funders, members and other stakeholders and friends of the Campaign that our message, ‘Buy Local to Create Jobs’, has never had more meaning, significance and importance for our country than now.



CEO'S Message

Eustace Mashimbye

Firstly, a sincere and heartfelt thank you to the Board of Proudly South African for displaying their faith in my ability to steer the Proudly South African ship into its next exciting phase, for entrusting me with this incredible organisation and its brand, in appointing me permanent CEO in December 2016, following my stint as the Acting CEO from 1 September 2016. I would like to also thank my colleagues within Proudly SA for their unwavering support through this past financial year.

The end of the 2016/17 financial year has seen Proudly South African rejuvenated with renewed vigour from the entire staff complement. Staff changes and additions have brought a new dynamic and complements the new streamlined strategy, as approved by the Board, which informs all our work. We are well on our way to creating a more relevant as well as a much higher profile for the Proudly SA national Buy Local Campaign.

Membership

Whilst we focus on growing demand for locally produced and manufactured goods and services, we have at the same time been working in the past year on growing their supply, through the extension of our membership base.

We have concentrated on recruiting high value members in labour intensive sectors that support many jobs, as well as those designated sectors as per the revised public sector preferential procurement regulations, informed by our responsibilities as outlined in the Local Procurement Accord and in the latest iteration of IPAP as directed by the NDP. It should be noted that these policy documents inform all the work that we do and have assisted greatly in creating an environment conducive for Proudly SA to advance its objectives.

In one of the sectors identified as a key priority sector, namely the pharmaceutical industry, we have enrolled Adcock Ingram as a Proudly SA member company.

We have introduced their many division heads to our team and are working on PR, media and marketing opportunities which can exploit their new status as the only large pharmaceutical company on our books, as at the end of the year under review.

In the clothing and retail sector we have secured Edcon as a member and are hopeful of concluding agreements with a number of other large retailers in the near future. Securing partnerships with these national chains is part of our objective to grow the clothing manufacturing base in SA, sustain existing jobs, and create new and sustainable jobs in this industry. Our strategic partnerships with both the National Clothing Retail Federation of South Africa (NCRF) and the South African Clothing and Textiles Workers Union (SACTWU) have proved to be key and very useful in this regard.

We are also actively soliciting members in sectors that are vulnerable to job losses due to a variety of challenges, not least amongst those being international competition and in some instances “unfair trade”. We hope that in signing up companies, for example in the poultry sector, Proudly SA will assist in giving them a competitive advantage in the local market.

Together with the respective sector desks within the **dti** and relevant industry bodies and associations, additional interventions are being explored to assist businesses that find themselves under pressure as a result of high quantities of imported products. These sectors include medical device manufacturers and pharmaceuticals.

A sponsorship drive in support of the 2016 Annual Buy Local Summit & Expo saw renewals of membership from Sasol, Nestlé, Absa and Mango Airlines and brought on board new sponsor members including Multichoice, Tsogo Sun, Hollard, GEP and UIF.

We have now been able to marry supply and demand for Proudly SA products and services and information on all our members is now stored on our database of members’ products and services, which is accessible to all South Africans on our website.

Stakeholder Relations

Proudly SA cannot operate in isolation without the support of many internal and external stakeholders. Some strategic relationships had been allowed to lapse and some had been languishing unattended and so it has been part of our focus to revive these relationships for the good of the Campaign.

Through a series of roadshows, Proudly SA has worked on strengthening many long standing relationships including with Brand SA, Tourism SA, The Manufacturing Circle, GCIS, SACTWU, SALGA, CGSA, SA Clothing Retail Federation, the Department of Economic Development and the Department of Small Business Development. At the same time we have embraced other organisations and entities which represent the interests of procurement practitioners and decision makers in both the public and private sectors and these include CIPS (SA Procurement Professionals) and SOEPF.

ProudlySA was also included in the Inter Ministerial Committee on Information & Publicity, previously chaired by the Minister in the Presidency, Jeff Radebe and which held fortnightly meetings which we attended.

One very successful collaboration between the **dti**, Brand SA and Proudly SA has seen the SA Premier Business Awards become a high profile annual event staged by all three organisations working closely together.

In support of government’s efforts to radically transform the economy by giving opportunities to black owned companies and to promote the **dti’s** Black Industrialist Programme, strategic partnerships between Proudly SA and organisations such as the Black Pharmaceuticals Industry Association and Treasure Chest Wine Group have been forged. Each represent black owned interests in the pharmaceutical and wine industries respectively.

Campaigns and Programmes

The overarching message in the latter part of the year under review, which will also become a major component of our work in the forthcoming period, is the resurrected Buy Back SA campaign. It was spearheaded by the showing at closed organisational events and will culminate in the eventual flighting on national television (on Multichoice channels) of the Dr. John Kani Buy Back SA advertisement, for which we have now secured the rights. We are confident that once the ad hits our screens, it will have the desired impact of getting consumers to embrace the Buy Local philosophy and adopting it in their everyday lives.

During the past year, we rolled out our Festive Season and Back to School Campaigns in November, December and January, aimed at encouraging consumers to spend on gifts that are locally produced, on Proudly SA and made in South African brands for holiday groceries, school uniform and stationery.

This series of mall activations was supported by above the line billboards and other advertising in selected malls around the country.

In addition to these public interactions, the Marketing and Membership teams have travelled around the country participating in a number of events, conferences, summits and expos, both as partners and organisers, all strategically planned to fulfil our consumers/ public/ private sector buy local education programme and/ or to recruit additional members to the Campaign. These included the Manufacturing Indaba, Tourism Indaba, Africa Trade Summit, IT Sector Specific Business Forum, Construction Sector Specific Business Forum, FMCG Insight Conference, African Energy Indaba amongst others, all of which are reported on in the Activities section of this report.

PR/Marketing & Communications Successes

During the past year, we have managed to grow our social media following exponentially by increasing our own output in posting pictures, event notifications and news items in particular on Twitter and Facebook, but also on Instagram and the more business oriented site, LinkedIn. We have fine-tuned our media monitoring and reporting and now, through the simple mechanism of weeding out all mentions of 'proudly South African' where 'proudly' does not have a capital 'P', we have more accurate reports and advertising value equivalents (AVE) than previously. Online media platforms have grown and we are seeing more of our releases featured on new sites all the time. We have improved our 'strike rate' with our releases, and as seen in the PR section of this report have had some excellent feature pieces on the Campaign as a result.

UNOPS – Switch Africa Green Project

UNOPS funding for the Switch Africa Green project in implementing an eco-labelling standard for SA was granted to Proudly SA. The role of Proudly SA in this regard is to create awareness and build capacity on Eco-Labelling for Proudly SA Stakeholders in the Agricultural and Agro-processing Sector.

The project objectives and deliverables for the period under review, on which Proudly SA focused and delivered

included the following:

- i) Continued with the implementation of development/adaption of Proudly SA Eco-labelling Standard which mainly focuses on Sustainable Consumption and Production (SCP), Life Cycle Analysis (LCA) and cleaner production practices in South Africa by:
 - a. Sourced an expert consultant to guide the process of Standard development/adaption as informed by preparatory research and literature review within South Africa, and aligning such work with the key project outcomes;
 - b. Appointed a Technical Committee to review, revise, enhance and strengthen the draft Standard developed/adapted by Proudly SA with the outsourced support of an expert in SCP, Life Cycle Analysis (LCA) and cleaner production practices in South Africa;
- ii) Continued with awareness creation on sustainability standards, eco-labelling, LCA and cleaner production approaches;
- iii) Identified and selected initial farms to participate in the project implementation against generic requirements, including preparing such farms for full-scale participation in this pilot project; and

- iv) Developed training material for the project farms based on generic requirements of the developed draft Standard. This process will further be refined in greater detail once the Standard is finalised.

Other major Breakthrough Achievements

The development in-house, together with input from SACTWU, of a tender monitoring system designed to track compliance by all 3 tiers of government in the procurement of goods and services designated for increased local content was a major milestone for the Campaign. In addition to keeping us abreast of all RFQs and RFPs that go out allowing us to contact the respective public sector procurement officers in charge to ensure the promotion of local goods and services, it is another element in our value proposition for members, who, if they qualify to pitch for the business will be alerted to the opportunity by our office.

Surveillance audits conducted by the SABS on the organisation's QMS were

both very successful and we have continued to receive clean audits in this regard.

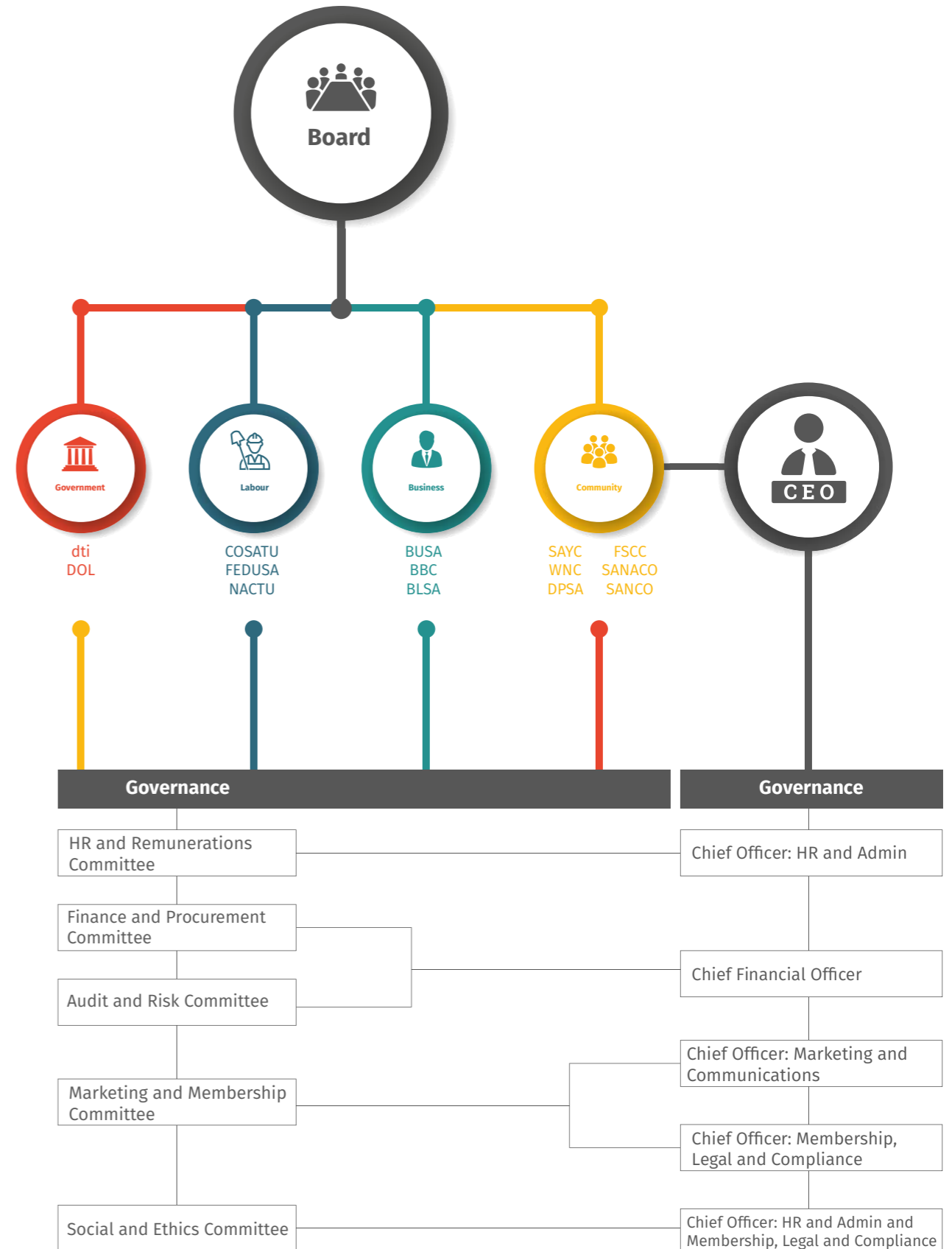
For the 10th consecutive year, Proudly South African received a clean and unqualified audit, reaffirming the organisation's commitment to clean governance and a strict adherence to proper financial and accounting systems.

We are a very proud, Proudly South African team that is looking forward to building on the successes and lessons of the past year, and one that remains deeply committed to our cause.

With the continued support of the **dti** and many other stakeholders, our Board, sponsors and member companies who give value to our work, we are sure that the coming year will reap even greater rewards and that we will achieve even higher recognition for our trade mark tick that guarantees quality, fair trade and responsible environmental and waste practices.

Our People & Resources

Governance Structure



EVERY RAND SPENT
LOCALLY
CONTRIBUTES TO THE ECONOMY
AND CREATES JOBS

Be Proudly South African. Buy local to create jobs!



Board of Directors



Howard Gabriels
Chairperson
Appointed: 27 July 2016

A senior executive with extensive experience at a strategic leadership level in the public sector, Howard Gabriels was appointed as the chairperson of the Board on 27 July 2016. He has a B Sc. Degree and a B. Econ (Honours) degree from UWC. In 2012, he completed a Masters Degree in Urban and Regional Science at Stellenbosch University. Gabriels has held various positions in the public sector and was the chairperson of the Statistics Council between 2005 and 2013.

He is currently working as an independent consultant and has worked on a wide range of consulting assignments in business strategy and planning, economic development and policy analysis.



Joseph Maqekeni
Board Member
Interim Chairperson
Period: 1 April 2016-27 July 2016

Mr. Maqekeni passed Matric in 1975 at St. Johns College in Umtata, Eastern Cape. He has moved within the NACTU ranks as the Deputy President from 1990 to 2001. He was the President of the South African Chemical Workers Union from 1994 to 2008.

He serves in the Job Creation Trust, Nedlac Management Committee and Nedlac Executive and National Skills Authority Board. He is the past Chairperson of Cathseta and National Bargaining Council for the Chemical Industries.

Joseph Maqekeni was appointed to the Proudly South African Board in 2005. He is serving in the Audit and Risk as well as the Membership, Marketing and Communications Committee. He was appointed as Interim Chairperson of Proudly SA on 28 November 2014.



Eustace Mashimbye
Chief Executive Officer
Appointed: 27 July 2016

Mr. Mashimbye is a qualified financial accountant who studied at the Technikon Northern Gauteng (now Tshwane University of Technology) and the Technikon South Africa (now UNISA). He majored in Financial Accounting and Corporate Law and also studied towards his MBA with the Management College of SA (still to be completed). He is currently completing his studies towards his Corporate Governance qualification through the Chartered Secretaries Institute of South Africa.

He has over 17 years' experience in accounting and financial management in both the public and private sectors with Telkom, Edcon and the Department of Trade & Industry, with more than 10 years of these at senior management level.

Mashimbye has served on the board of The Business Place and is currently a Director on the Board of the South African Savings Institute, where he previously also held the position of Audit and Risk Committee Chairperson.

He has previously fulfilled the role of CFO (for a 10 year period), Acting COO and Acting CEO of Proudly South African and was appointed permanent CEO in December 2016.



Michael Lawrence
Board Member

Mr Lawrence is an Executive Manager with a wide range of entrepreneurial and operational experience. Qualified in Mathematics, Economics and Statistics, his interests are in developing businesses that are well rooted in the soil of Africa and able to grow anywhere on the globe.

This is achieved by applying his problem solving expertise with strong communication and motivation skills in the business arenas of Governance, Strategy and Change Management.



Solly Phetoe
Board Member

Mr. Phetoe was appointed as the Deputy General Secretary of Cosatu in November 2015.

He has been a trade unionist since 1983 and was previously Cosatu's North West Provincial Secretary. He has a special interest in vulnerable workers, especially farm and domestic workers.



Ashley Benjamin
Board Member

Ashley Benjamin is a National Office Bearer of the Federation of Unions of SA (FEDUSA).

He represents FEDUSA on various structures such as the Trade & Industry Chamber of NEDLAC. He is responsible for the Trade, Industry and Development portfolio within FEDUSA and represents the federation at international level at Trade Union Advisory Committee Meetings to the OECD and global union programmes for economic cooperation.

Mr. Benjamin is from the National Union of Leather and Allied Workers (NULAW) and is actively involved in the dealings of the National Bargaining Council of the Leather Industry of SA. He also serves as a Board member on the National Footwear and Leather Cluster and other institutions such as the **dti** to grow local manufacturing and job creation in the leather and footwear industry.

Mr. Benjamin also represents FEDUSA as a trustee on the Board of the Labour Job Creation Trust.



Dumisani Mthlane
Board Member
Chairman: Audit and Risk Committee

Mr. Mthlane represents the Community Constituency as the spokesperson for the South African National Civic Organisation (SANCO).

Mr. Mthlane has vast experience in evaluation and knowledge management, monitoring and evaluation as well as capacity building. He is the Overall Convenor of the NEDLAC Community Constituency. He sits on the Boards of the Local Government Sector Education Training Authority, UIF and the African Peer Review Mechanism.



Laura-Joyce Kganyago
Board Member
Chairperson: HR and Remunerations Committee
Member of the Finance and Procurement Committee

Ms. Kganyago represents the Community Constituency on the Proudly SA Board. She trained as a nurse at St Rita's Hospital in Glencowie. She completed Pre-School Management and Project Management at Build a Better Society Institution in Cape Town. She also holds a qualification in Community Development for NGO Managers from Pennsylvania University in Philadelphia, USA (IIE) a Sister Partner with EOC. She completed NGO Directors, Leadership and Governance Training with Haifa Management Training Centre in Israel for NGOs.

Ms. Kganyago is a Board Member with acquired experience in NGO management, co-ordination and community development. She has served as a Director in several CBOs and Deputy Chairperson of APRM Focal Point. She is currently a Training Officer and mentor at WNC national office.



Dr Tebogo Makube
Board Member

Dr. Tebogo Makube is currently employed as Chief Director: Industrial Procurement, Department of Trade and Industry. He has Masters Degrees from Wits, Stellenbosch and Dundee, Scotland and holds a PhD in Energy Studies from the University of Johannesburg. He is currently studying part-time for an LLB at UNISA. Dr. Makube has held research and managerial positions at the National Treasury, Financial & Fiscal Commission (FFC), National Energy Regulator of South Africa (Nersa), Gauteng Provincial Legislature and Nokusa Consulting. He has worked in areas of Fiscal Policy, Energy Economics, Infrastructure Finance, Transport Economics, Supply Chain Management and Management Consulting.



Stavros Nicolaou
Board Member
Chairperson: Membership, Marketing and Compliance Committee

Mr. Nicolaou is Aspen's Group Senior Executive responsible for Strategic Trade. Previously he was CEO of Aspen's Export Division. Aspen is Africa's largest and the world's 9th largest generic pharmaceutical company by revenue ranking. He has been instrumental in introducing the first generic ARV's on the African continent developed by Aspen, which have gone on to save hundreds of thousands of lives in South Africa and on the continent.

Nicolaou has over 24 years' experience in the South African and international pharmaceutical industry and is a previous winner of the SA Institute of Marketing Management (IMM) Health Care Marketer of the Year Award. He was recently inducted as one of the youngest Fellows of the Pharmaceutical Society of South Africa (PSSA), one of the highest honours bestowed by the PSSA.



Adv Priakumari Hassan

Board Member

Chairperson: Finance and Procurement Committee

Advocate Pria Hassan graduated from the University of Natal with a law degree in the 1990's, and was determined "to go boldly where no women had gone before." She established the Women of Africa (WOA) Investment Group in 2005, which is a women-owned, women-managed, Black-Economic Empowerment company strongly committed to gender empowerment.

Its extensive networks, solid reputation as a company of integrity, industry expertise as well as its broad ranging partner relationships with private and state-owned finance organisations, positions WOA to be a reputable service provider in the pharmaceutical, construction, logistics and energy sectors.

Adv. Hassan's commitment to women empowerment is evidenced by her long history of panel speaking nationally and internationally. She has spoken at the Women in Business and Leadership Conference held in Gaborone, Botswana 2014, the Women in the Energy Industry Conference which focused on "Creating Smart Policies to Empower Africa's Women in Energy" and the World Health Conference Participation in Women in Leadership, to name a few.



Thulani Tshefuta

Board Member

Mr. Thulani Tshefuta studied BA (majoring in Public Administration and Politics) at the Nelson Mandela Metropolitan University (NMMU). He furthered his studies through UNISA and the University of Johannesburg. He also has a post graduate qualification in International Executive Development Programme (NQF 8) with GIBS. In addition, Mr Tshefuta has also completed academic programmes in Leadership and Entrepreneurship from the North West University Business School and Effective Stakeholder Management from the University of Pretoria.

He is currently studying Advanced Strategic Management through UNISA School of Business Leadership and a Post-Graduate Diploma in Public Development and Management on M&E with the Wits School of Governance.

He is currently serving his second term of office as President of the South African Youth Council (SAYC) and serves on the Boards of the Presidential Youth Working Group and NEDLAC and is Deputy Chairperson of the National Skills Authority (NSA). He is also serving as an eminent member of the Parliamentary High Level Panel.



Madoda Vilakazi

Board Member

Appointed: 27 July 2016

Mr Madoda Vilakazi is the current Executive Director of the National Economic and Development Council (NEDLAC). He has extensive experience in top management spanning over 20 years – in the trade union movement, mining industry, government and local government. He holds amongst others, a Master of Business Administration (MBA) degree from the University of the Witwatersrand.

He represents NEDLAC on the Board and also serves on the Finance & Procurement Committee.



Adv. Leslie Sedibe

Chief Executive Officer

Resigned: 31 August 2016

Adv. Sedibe holds a BA (Law and International Relations), LLB and Masters of Law (LLM) (Tax) from the University of the Witwatersrand. Adv. Sedibe was admitted to practise as a lawyer in 1998.

Adv. Sedibe also served as the Legal Business Affairs Director at EMI Music from September 1998 to February 2007. He resigned from EMI to serve as Head of Legal Services and Ticketing for the 2010 FIFA World Cup Organising Committee South Africa and later became the CEO of the South African Football Association (SAFA). In 2012 Adv. Sedibe was admitted as an Advocate to the High Court of South Africa.



Virgil Seafeld

Board Member

Virgil Seafeld currently holds the position of Deputy Director-General: Labour Policy and Industrial Relations in the South African Department of Labour. His portfolio includes Labour Relations which is responsible for collective bargaining, employment Standards; Labour Market Information and International Relations.

Mr Seafeld holds among other qualifications an MBA, and a number of junior degrees. Mr Seafeld further completed a number of courses in measuring compensation and labour market information systems in the USA.

Mr Seafeld represents the Department of Labour both at the CCMA as well as at NEDLAC where he serves as the overall government convenor. His has further represented the country in various areas at the ILO and other international forums.

He has extensive experience in policy development both at a national and international level. Amongst others he has been responsible for establishing and managing the Employment Conditions Commission in terms of the Basic Conditions of Employment Act on behalf of the Minister of Labour .

Executive Managers



Happy MaKhumalo Ngidi

Executive Manager: Marketing & Communications

Mrs. Happy MaKhumalo Ngidi is a well respected businesswoman, social entrepreneur, author, motivational speaker and PR and marketing executive. She joined Proudly South African in 2015 to head up the organisation's Marketing and Communications Department.

She is a marketing, communications and PR professional whose work over the years has been commended by many. A Graduate who is a hardworking woman of passion, vision and purpose, Mrs. Ngidi brings over ten years of corporate experience to Proudly SA.

Mrs Ngidi was also the founder and Managing Director of a Public Relations boutique firm that assisted clients form formidable relationships with media giants. The former Head of PR and Communications for SABC radio station, Metro FM, she also has extensive experience in driving strategy development as well as brand and product launches for a number of international and local brands in the hospitality, beverage, FMCG and broadcasting services sectors.

Mrs. Ngidi's experience spans a number of companies including Seagram SA, SABC, Chivas Brothers, The Forum Company and Primi Group as a Franchisee. Through her sheer force of personality, she continuously strives to be mindful, to simply be the best in her craft and to make a formidable difference in everything she undertakes to do in the work place.



Mpho Thotela

Executive Manager: Membership, Legal & Compliance
Resigned: 31 Decemebr 2016

Mr. Thothela is an admitted Attorney of the High Court of South Africa and he holds the following qualifications: BProc, a Post graduate Diploma in Corporate Law, a Post graduate Diploma in Forensic Auditing, a Higher Diploma in Cyber Law from the University of Johannesburg, a Certificate in Crime Intelligence from the Tshwane University of Technology and a Certificate in Project Management from the Wits University Business School.

He served on the Proudly SA Board Sub-Committees on Membership, Marketing and Communications as well as the Audit & Risk Finance Committee

He also serves on the following committees: SABS SATS 1286 on Local Content, SABS TC 133 on Clothing Sizing; and the Inter-governmental Enforcement Committee on Counterfeit Goods and Illicit Trading. He previously served on the National Rights Protection Committee of the 2010 FIFA World Cup and has extensive experience in Legal and Forensic Consulting, Turnaround Management, Business Process Re-engineering, Project Management, Legal Drafting, Strategy Development and Strategy Translation.



Vusi Sithole

Executive Manager: HR & Administration

Mr. Sithole holds a B. Admin Degree from the University of the North and a B. Admin Honours Degree in Industrial Psychology from the University of the Free State. He also studied Business Management with Fachhochschule Altmann in Germany in 1999.

He is an experienced professional and strategist in organisational leadership and development. He has a strong background in the academic environment, both as an academic and corporate manager. He has been involved in key leadership roles in governance and operational structures for Gauteng FET Colleges after the promulgation of the FET Act of 2006.

He has recently been involved in the DTI/SABS/SANAS Working Committee that wrote the Technical Specification on Local Content which is central to the implementation of the revised Preferential Procurement Regulation and Local Procurement Accord.

He is also Proudly SA's Project Manager for the SWITCH Africa Green project, funded by UNOPS in Partnership with the European Union.



Siyabonga Zungu
Brand Manager

Proudly South African Brand Manager Siyabonga Zungu is responsible for the design team which creates and maintains the look, feel and messaging of the Campaign. He obtained his BCom Strategic Marketing Management from the University of Johannesburg and followed that with a BPhil Honours Degree in Strategic Management.

Mr. Zungu started his career at Puma Sports Distributors and at Capitec Bank before joining Proudly South African, initially as events co coordinator. He has, during his time with the Campaign, worked hard to innovate and grow within the organisation finally to reach the position of Brand Manager. Through his experience of working in promotions as well as sales he has been instrumental in growing the Proudly South African brand in the corporate and consumer spaces.



Deryn Graham
Public Relations Manager

Ms Graham was brought up in the UK, and came to South Africa in 1995, adopting citizenship a few years later. She has a degree in French and European History from the University of Exeter. Before becoming a media practitioner, Ms Graham worked for a number of years in international hotel sales and marketing. In 2004 she produced the 26 part NEPAD Focus series whilst working at Ukhozi Productions. Between 2012- 2016 she was a producer at Talk Radio 702, taking 3 industry awards for her work on the John Robbie Show and Xolani Gwala's Afternoon Drive Show. In the latter half of 2016 she was a Senior Producer on eTV's The Big Debate before joining Proudly SA as PR Manager in mid November.

PROUDLY SOUTH AFRICAN

Proudly South African is die land se plaaslike aankopebekendstellingsveldtog waaraan duisende maatskappye behoort.

Die vertoon van die *Proudly South African*-logo wys ondersteuning vir gehalte, 'n erkenning van billike arbeidspraktyke en 'n verantwoordelike omgewingsbeleid.

Be Proudly South African, Buy Local to create jobs.

Vir meer inligting oor ons lede en voordele vir lede, besoek www.proudlysa.co.za



The Team

Human Resources Management Report

The HR Strategy and Operational Plan is informed by the Organisational Business Plan translated to the Annual Performance Plan. The main objective of the HR and Administration Department is to provide support to line departments by creating a conducive environment, in terms of logistics and with appropriate work tools. Competent talent is sourced, maintained and retained for efficient and effective delivery of the overall organisational mandate, namely the roll-out, in partnership with key stakeholders, of the Buy Local Campaign as a vehicle to drive the uptake of local products and the creation of sustainable jobs. The Department is a custodian of company policies and ensures the orderly execution and consistent compliance with these policies as benchmarked against common domestic legal prescripts relating to Human Resources. This includes the successful championing of the internal ISO-accredited Quality Management System.

All HR functions are provided in-house unless specialized services are required in areas such as labour relations and intensive psychological services. This report covers the following areas:

1. Staff profile and movement
2. Staff performance, development and retention
3. Health and safety
4. Employment equity
5. Quality Management System

Overall Staff Complement Per Occupational Level

(Including Personnel who resigned and were replaced during the period of reporting)

Note: **A**=Africans, **C**=Coloureds, **I**=Indians and **W**=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	02										02
Senior Management	03				01						04
Professionally qualified and experienced specialists and Mid-Management	01						01	02			04
Technically and Academically qualified personnel, Junior Management, Supervisors, Foremen, and Superintendents	07	01			12	02	01				23
Semi-skilled and discretionary decision making	01				01	01					03
Unskilled and defined decision making					01						01
TOTAL	14	01			15	03	02	02			37

Promotion (Including Personnel who resigned and were replaced during the period of reporting)

Note: **A**=Africans, **C**=Coloureds, **I**=Indians and **W**=Whites

Employee	Race	Gender	Old Position	Promoted to
Phumzile Xaba	African	Female	Marketing Assistant	Events and Exhibition Coordinator
Sebatatso Mtshali	African	Female	HR Administrator	Senior HR Administrator

Terminations

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	01										01
Senior Management	02										02
Professionally qualified and experienced Specialists and Mid-Management								01			01
Technically and Academically qualified personnel, Junior Management, Supervisors, Foremen, and Superintendents					02						02
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL	03				02			01			06

Recruitment, Selection and Placement

The Campaign has a well-established recruitment process that requires that all vacancies be firstly advertised internally, subject to potential availability to allow upward mobility of current personnel to senior roles if they possess required expertise and interest. Key technical, high-level professional and management positions will always be advertised externally through relevant platforms and media:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	01										01
Senior Management											
Professionally qualified and experienced Specialists and Mid-Management								01			01
Technically and Academically qualified personnel, Junior Management, Supervisors, Foremen, and Superintendents											
Semi-skilled and discretionary decision making					01						01
Unskilled and defined decision making											
TOTAL	02				01			01			03

4.5.3. Staff Performance, Development And Retention

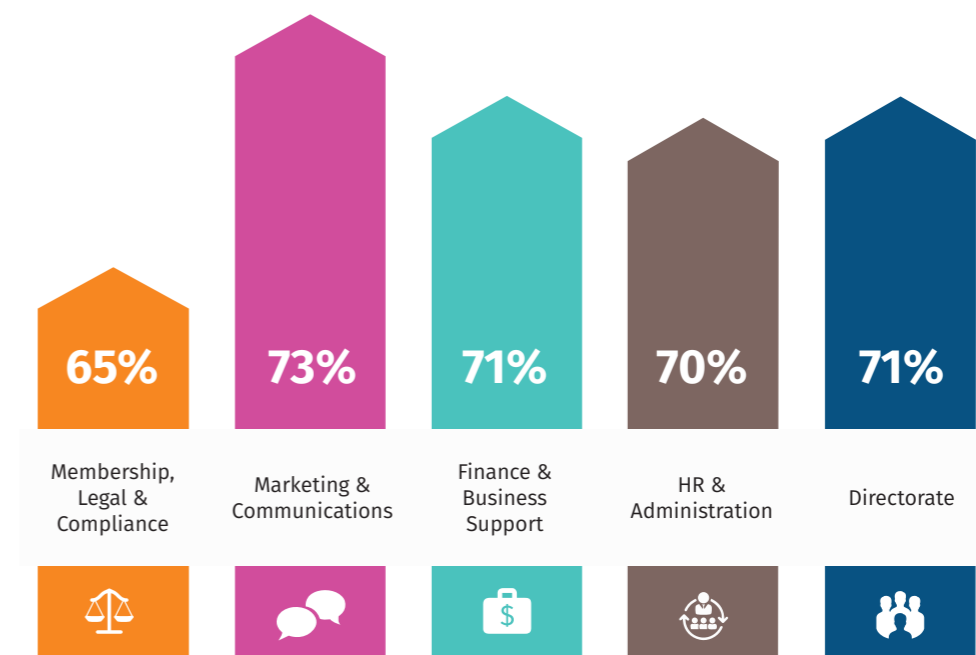
a) Staff Performance

The Campaign has an established performance management system which is widely accepted by all staff. The system provides for signing of an initial Performance Agreement, followed by quarterly Performance Reviews and Evaluation and concluded by a Performance Appraisal during which annual performance averages are prepared for, inter alia, the determination of bonus amounts (budget permitting) subject to HR and Remunerations Board Committee (REMCO)

Average staff performance for period March 2016- April 2017

Department	Average Performance in %
Membership, Legal & Compliance	65%
Marketing & Communications	73%
Finance & Business Support	71%
HR And Administration	70%
Directorate	71%
Average Staff Performance	70%

Overall Performance Appraisal



b) Staff Development

The organisation is committed to investing in its human capital for optimal productivity and service excellence. Tabulated below is the Annual Training Report which details capacitation interventions linked to both Employment Contracts and the company’s Performance Management System. Also, as part of succession planning, dedicated and passionate employees who consistently over-perform and whose behaviour fits with the organisational values and pursuits, will be identified for further development in preparation for higher level roles. This is managed very systematically through the Performance Management System driven by the Human Resources Department.

b.1) Annual Training Report: Internal non-accredited training

Type of training	Male				Female				Planned	Conducted	Total	Date
	A	C	I	W	A	C	I	W				
Bank Service Day(Nedbank)	01				03	01				✓	05	25 October 2016
Microsoft Training	02				05	01	01			✓	09	25 July 2016
Nedbank At Work (Financial Education)	07				07	01				✓	16	20 May 2016
Tip Off Anonymous	07	01			08	03	02			✓	21	24 June 2016
Sadag (Depression At Work)	05	01			06	02				✓	14	20 January 2017
Cansa Awareness	06	01			08	01				✓	16	24 February 2017
Budget Speech Implications	04				05	02		01		✓	12	09 March 2017

b.2) External Accredited Training

Note: **A**=Africans, **C**=Coloureds, **I**=Indians and **W**=Whites

Type of training	Male				Female				Planned	Conducted	Total	Date	Accredited	
	A	C	I	W	A	C	I	W					YES	NO
POPI	01								✓		01	TBC		
Salary Grading	01								✓		01	TBC		
SDF					01				✓		01	25-28 July 2017	✓	
SAP	01									✓	02	11-12 April 2017	✓	
ISO 9001-2015					02				✓		02	19-23 June 2017	✓	
Health And Safety training					01	01	01			✓	03	13-14 March 2017	✓	
Records Management	01								✓		01	11-12 August 2017	✓	
Report Writing	04				02	02				✓	08	22-23 May 2017	✓	
PFMA					01					✓	01	5-7 April 2017	✓	
SCM					01				✓		01	23-25 August 2017	✓	
Tax and Payroll training	01				01					✓	02	15 March 2017	✓	
CISM	01								✓		01	6-June 2017	✓	
Legal Secretariat								01	✓		01	TBC		

SHEER ADRENALINE.



BMW South Africa, which has manufactured over one million 3-Series vehicles at its Rosslyn plant in Pretoria, has created over 3 600 direct jobs while contributing towards the creation of some 12 100 jobs through its support of suppliers of vehicle parts such as filters, seats, brakes etc. Thank you for contributing to our economy.



4.5.4. Health and Safety

The organisation continues to adhere to its Policy on Occupational Health and Safety in line with legislative prescripts. We timeously file the company's reports including the Annual Return on Earnings to the Compensation Commissioner, and as such we are in good standing with the Commission. The following plan is being followed and improved as and when required:

Aspect	Intervention/Prevention	Frequency
Occupational Injuries	Create awareness on prevention of possible occupational hazards	Bi- Annually
	Conduct regular inspections on workplace premises and equipment machinery to ensure continuity compliance with OHS Standards	Daily
	Ensure acceptance procedures are in place to report, deal, and manage workplace OHS incidents	Quarterly
	Establish OHS Committee and properly capacitate its members	Annually
Occupational Diseases	Create awareness to prevent contamination from sicknesses/illnesses/diseases	As and when required
	Ensure that all reasonable measures to prevent contamination of contagious sicknesses/illnesses/diseases	As and when required
	Develop and implement Management/Contingency Plan to contain and manage the spread of reported contagious sicknesses/illnesses/diseases	Every time
Personnel Physical Safety	Ensure reasonable security of all personnel from outside intrusion	Every time
General Safety Office	Pesticides Control	Quarterly
Healthiness	Carpet cleaning	Annually
	Sufficient Ventilation	Every time
	Servicing of Office Air-conditioning system	Bi- Annually

4.5.5. EMPLOYMENT EQUITY REPORT FOR 2016/17 AND STRATEGY FOR 2017/18 (Including people with disabilities)

The organisation's Employment Equity Plan for 2016/17 was achieved and exceeded as approved and submitted to the Employment Equity Commission. This plan was benchmarked against the National Employment Equity targets as developed and propagated by the Department of Labour. Linked to this was our successful submission of both Workplace Skills Report and Annual Training Report to Services SETA.

Whilst the Campaign has a clear policy on this, the following are key to the overall strategy:

- Proudly SA is determined to implement an Employment Equity Plan and imperatives in line with the national agenda to redress the effects of past discrimination, with clear commitment from top leadership and management to strive towards rigorous improvement of the Campaign's Employment Equity status.
- Proudly SA, especially after terminations, promotions and transfers updates EE plans with realistic objectives and goals. This is the responsibility of the Human Resources Department.
- Every attempt must be made to deliberately target previously disadvantaged groups in filling existing vacancies, new positions, by making new appointments or promotions without window-dressing. Such deliberate placements should be supported by a clear programme to support, mentor, educate, re-train and/or under-study of selected candidates. In selecting candidates for such placements, potential and aptitude must be seriously taken into account.
- There must be equal opportunities for training and development for all staff. However, the training and development programme must be used as a tool for the upgrading of employees from previously disadvantaged groups.
- Proudly SA must comply with statutory requirements by submitting an EE report annually (even if it employs under 50 employees).
- A realistic and comprehensive EE Plan will only be drawn up on understanding the anticipated nature and size of the Campaign's Structure and Organogram.

Access for Disabled Persons

Except for the shared goods lift, the building in which the Campaign is based does have an escalator for disabled persons and therefore the employment of disabled people with impaired mobility would be possible.

Discriminatory Practices

The Campaign has developed a comprehensive Manual of HR Policies and Procedures. These prohibit discrimination of any kind and have extensive procedures to lodge and resolve grievances of any kind.

4.5.6 QUALITY MANAGEMENT

To ensure improved customer service, order, consistency, optimal productivity and quality output of the organisation's services, the organisation continues to be compliant and certified against ISO9001 of the 2008 Quality Management System standard by SABS. The systems assist in risk management, taking corrective actions in occurred risks, and continual improvement of the entire business operations.

The company is in the process of migrating to ISO9001 of 2015 by end of October 2017.

Employee Wellness



End year function is that time of the year when the organisations shows gratitude to its employees as a token of appreciation for the work accomplished to advance the interests of the company. It also affords employees an opportunity to mingle and socialise in a comfortable environment. Proudly South African celebrated the Annual Year End Function at House Higgo with a variety of fun activities captured in pictures in the latter section of this report.

The main objectives for hosting such a function are as follows;

- To celebrate the organisation's accomplishment over the year;
- To help create a sense of team building and boost the morale of employees;
- To show appreciation for employees for their contribution towards the organisation's success.

Event Pictures



Staff Awards



INVITATION TO

SADAG Awareness Presentation

Date: 20 January 2017

Time: 11am-12pm

Topic: Managing Stress and Anxiety at the Workplace



PROUDLY SOUTH AFRICAN 

Mental Health Awareness

Proudly South African acknowledges the stigma associated with Mental Health and the potential adverse effect of such illnesses on employees' optimal productivity. In the interest of improving employees' motivation and balanced lifestyle, psychological well-being of Proudly South African staff is one of the key staff wellness programmes.

Work is a central facet of modern life, and depressive illnesses can significantly affect an individual's ability to find, retain, and regain meaningful employment. Many employees are also unaware they have depression or they fear their insurance is inadequate to cover costs.

MEET THE LOCALS
MADE IN SOUTH AFRICA



GROWING THE LOCAL ECONOMY TOGETHER



   
www.proudlysa.co.za | @ProudlySA

PROUDLY SOUTH AFRICAN 

INVITATION TO

Cancer Awareness Session

Date: 24 February 2017
Time: 11am-12pm
Venue: Main Boardroom



Physical Health Awareness

The goal of cancer awareness campaigns is to raise the public's awareness of cancer, its detection, its treatment, and the need for a reliable, permanent cure. Skin cancer is largely preventable, and if caught early, it's usually curable. Since most skin cancers are linked to sun exposure, it's important to take precautions when spending time outdoors, no matter what time of year. Too much sun can increase your risk of skin cancer and lead to premature skin ageing. On that note, Proudly South African invited CANSA to educate our employees about cancer and covered the following topics:

- How to stay safe in the sun
- How to determine your skin cancer risk
- How to do regular skin self-exams
- Treatment



STAFF - FINANCIAL WELLNESS

Date: 09 March 2017
Time: 11am-12pm
Venue: Main Boardroom
Topic: Unpacking 2017/18 Budget Speech

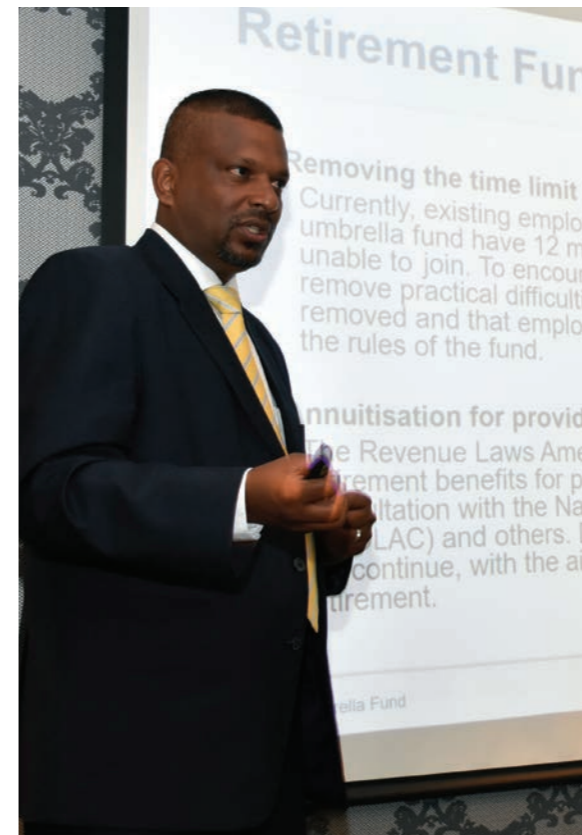


Financial Health Awareness

The National Budget Speech is a much anticipated event every year and while many of us are keen to hear how much more we will pay for petrol and mortgage bonds, there are other critical components that are well worth considering. After all, our country's budget is no different from our own budgets with a focus on finding a balance between income and expenses.

The focus areas of this staff empowerment event was:

- (a) "revenue section", which shows where the Government expects to get the money from, as well as the
- (b) "expenses section" which deals with how the Government will use our collective tax money to provide services to all of us.



Our Members

Proudly South African Membership, Marketing and Communications Committee
Meeting Q4 2017 & Membership Input for the Annual Report 2016/2017

1	The current value proposition for Proudly South African member companies
2	Proudly South African membership report for 2016/2017
2.1	Year-on-year comparisons of the number of newly-recruited members per month from the period 2010/2011 to 2016/2017
2.2	Quarterly comparisons of the number of newly-recruited members for the period 2016/2017
2.3	Number of member companies recruited for the period 2016/2017 by province and sector
2.4	Total membership as at 31 March 2017 by province and sector
3	An overview of the period 2016/2017
4	Looking forward to 2017/2018

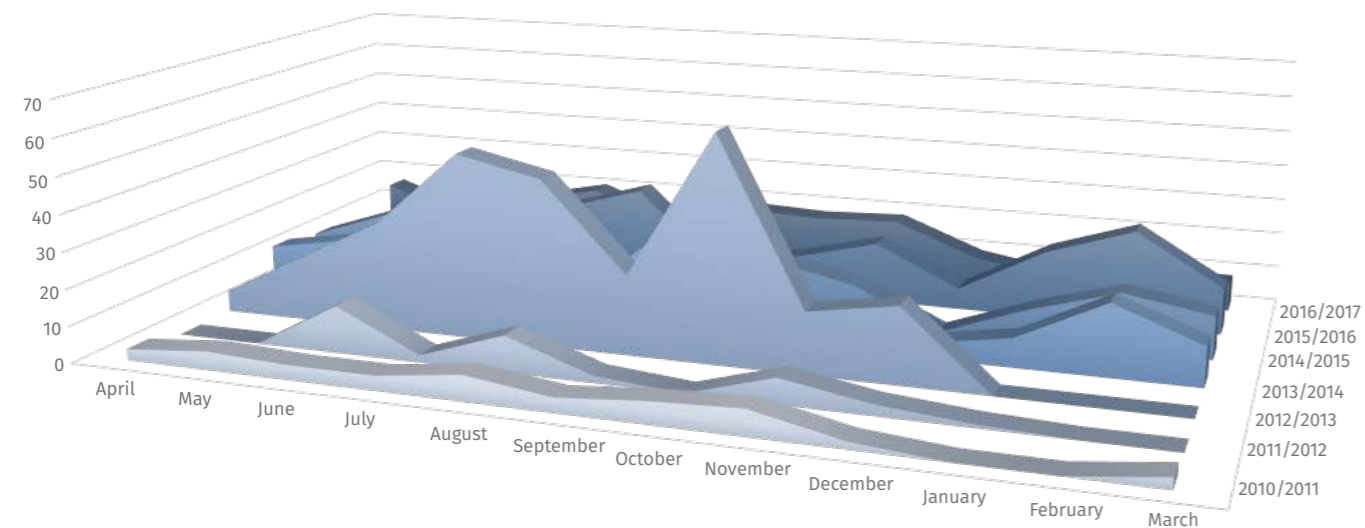
1. The current value proposition for Proudly South African member companies

1. Use of the Proudly South African logo, which is a recognised endorsement of quality and local content.
2. Participation in the prestigious annual Proudly South African Buy Local Summit and Expo, which will give the member an opportunity to exhibit their products/services and network with decision makers from business and government.
3. Participating in joint promotions with Proudly South African from consumer-targeted campaigns to major events and exhibitions.
4. First-hand access to tender opportunities in-line with the Department of Trade and Industry's 21 Designation of Sectors.
5. Members can benefit from the Campaign's marketing strategy and activities that encourage the purchasing/procurement of members' products and services.
6. The opportunity to list products/services on the local content database, established to assist government and business to expand the procurement of local goods/services.
7. Listing on our interactive search facilities on the Proudly SA website and app which allows consumers and businesses to search for products and services of Proudly South African member companies.
8. Through dedicated business forums and sector-specific workshops, members enjoy frequent business and networking opportunities with other fellow members, businesses and strategic stakeholders.
9. Uplifting women entrepreneurs through various campaigns and events.
10. Participation in the South African Premier Business Awards event which recognises and honours local businesses and promote partnerships and competitiveness.
11. Special packages and pricing between Proudly South African member companies to encourage business transactions within the Proudly SA community.
12. Assistance with market access opportunities within the Proudly South African member base.
13. Access to the Campaign's communication platforms such as the electronic newsletter, product booklet, and various social media platforms.

2. Proudly South African membership report for 2016/2017

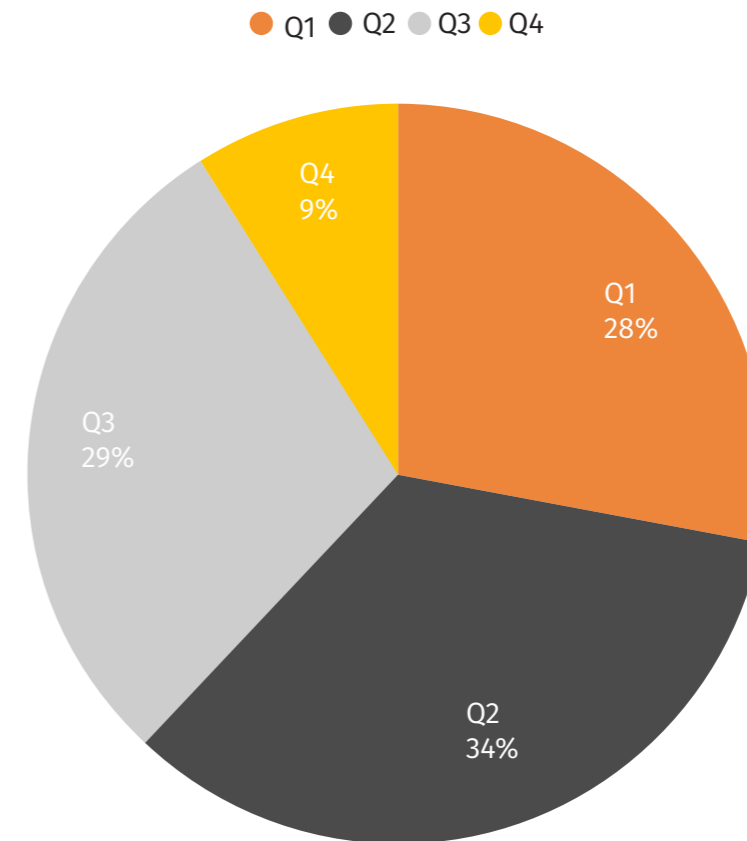
2.1. Year-on-year comparisons of the number of newly-recruited members per month from the period 2010/2011 to 2016/2017

Month	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
April	3	0	6	13	11	7	16
May	5	0	18	17	19	17	8
June	4	13	30	12	9	18	15
July	4	2	51	16	16	20	20
August	7	10	46	8	10	27	11
September	4	2	22	27	21	6	18
October	6	0	62	7	16	11	17
November	7	7	17	9	11	17	18
December	2	3	21	4	0	6	9
January	0	1	0	8	9	19	5
February	0	0	0	20	16	27	8
March	3	0	0	11	12	13	8
Total	45	38	273	152	150	188	153



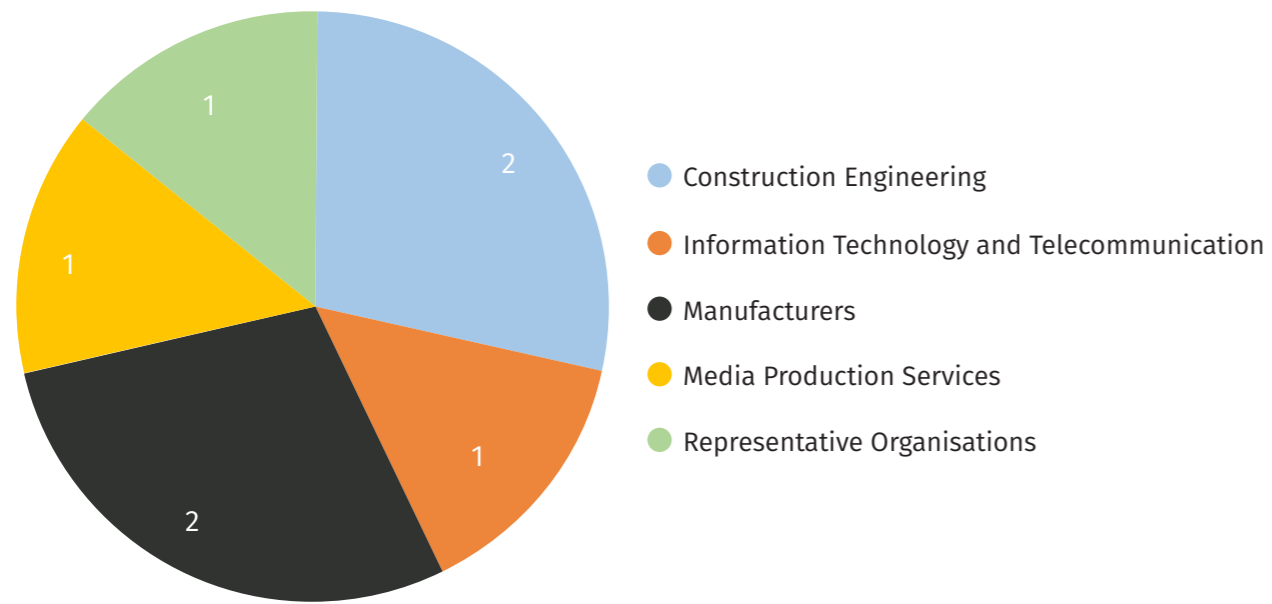
2.2. Quarterly comparisons of the number of newly-recruited members for the period 2016/2017

	Month 1	Month 2	Month 3	Total
Q1	16	8	15	39
Q2	20	11	18	49
Q3	17	18	9	44
Q4	5	8	8	21
				153

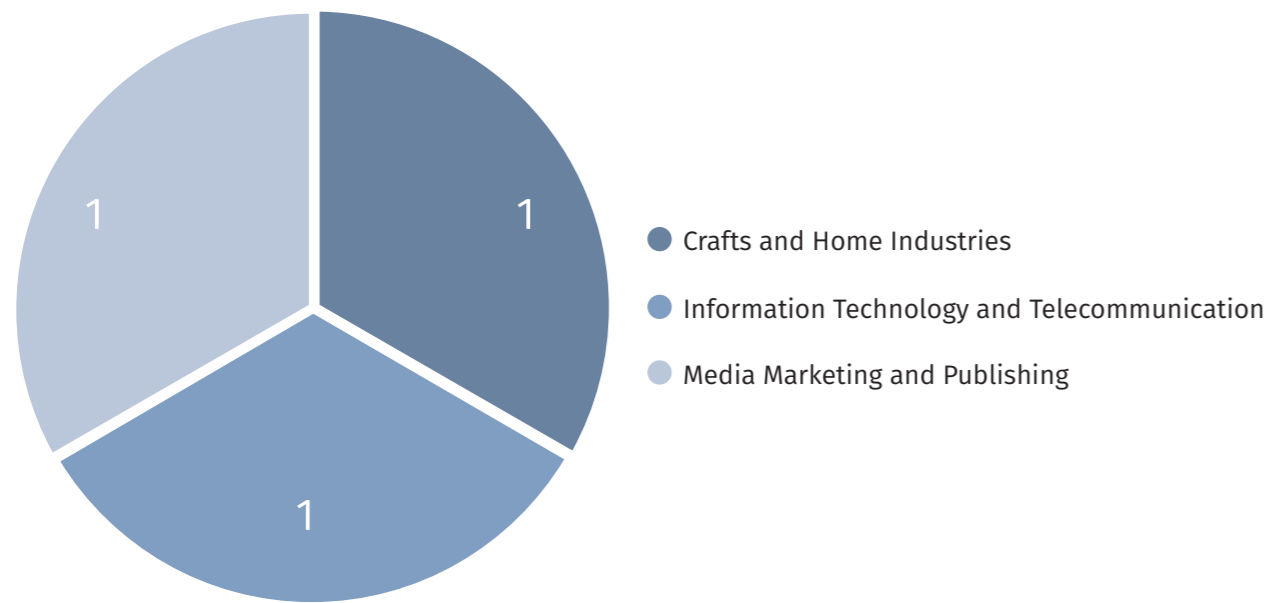


2.3. Number of member companies recruited for the period 2016/2017 by province and sector

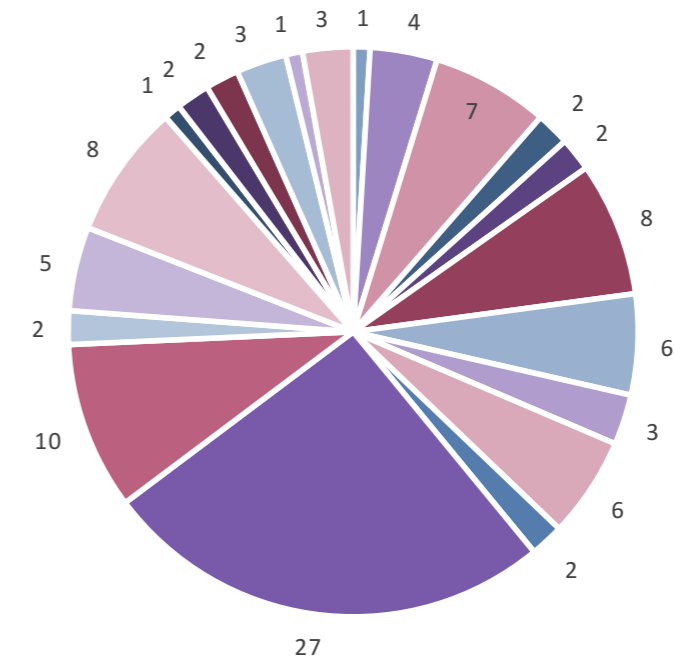
EASTERN CAPE



FREE STATE

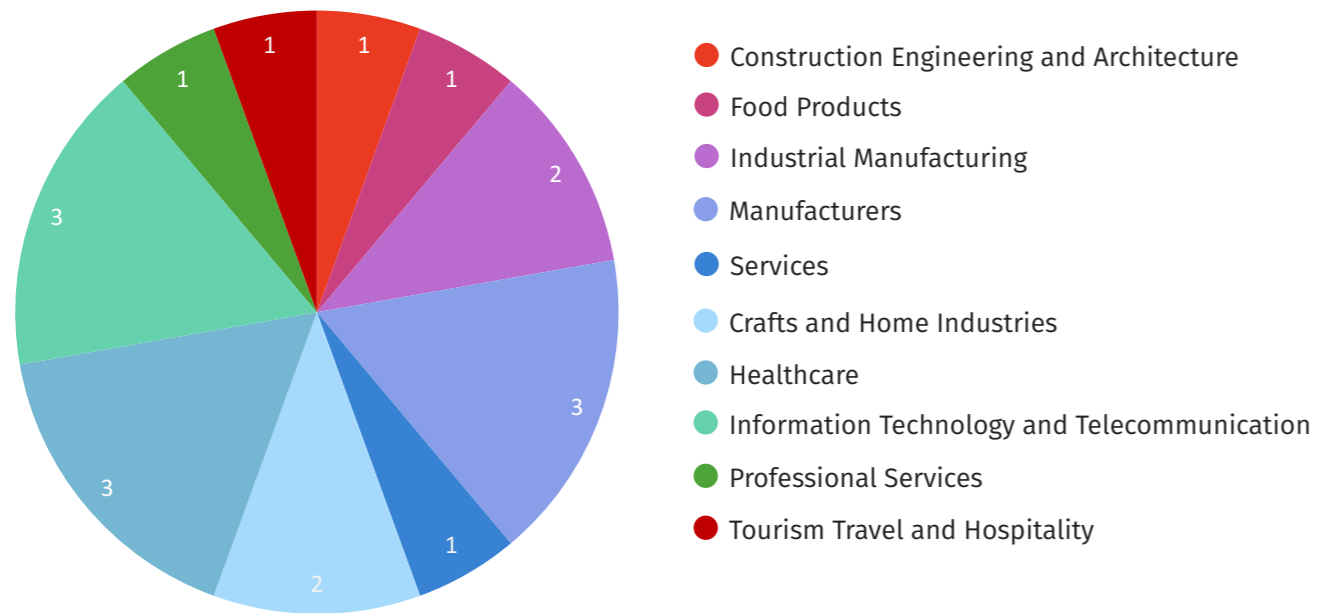


GAUTENG

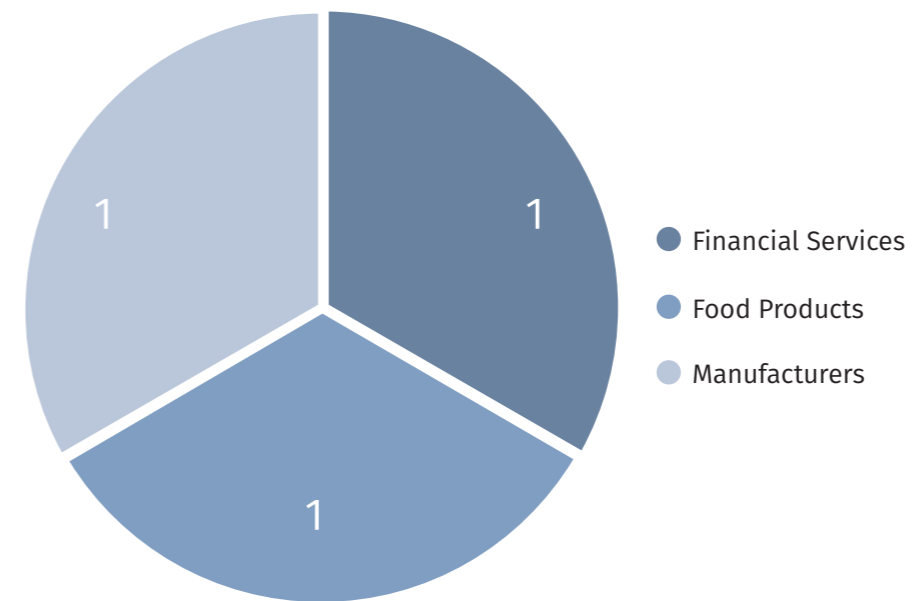


- Agriculture
- Construction Engineering and Architecture
- Crafts and Home Industries
- Education Development and Training
- Financial Services
- Food Products
- Healthcare
- Industrial Manufacturing
- Information Technology and Telecommunication
- Information Technology and Telecommunication
- Manufacturers
- Media Marketing and Publishing
- Media Production Services
- Mining and Beneficiation
- Professional Services
- Property and Real Estate
- Services
- Tourism Travel and Hospitality
- Transport and Logistics
- Utilities and Municipal Service
- Wholesale and Retail Trade

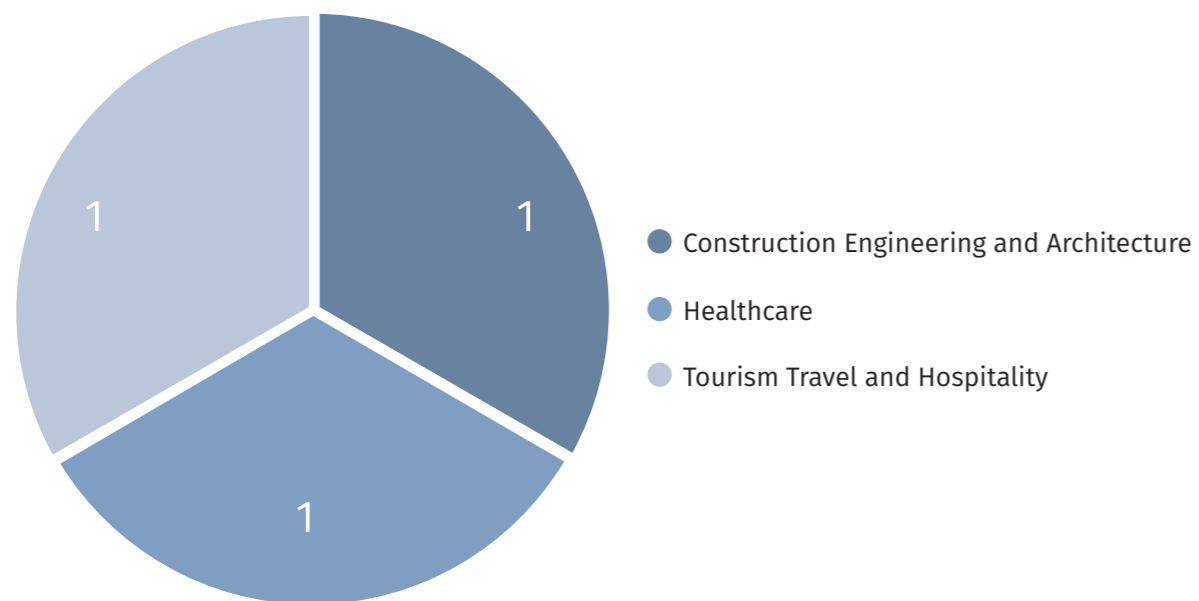
KWAZULU-NATAL



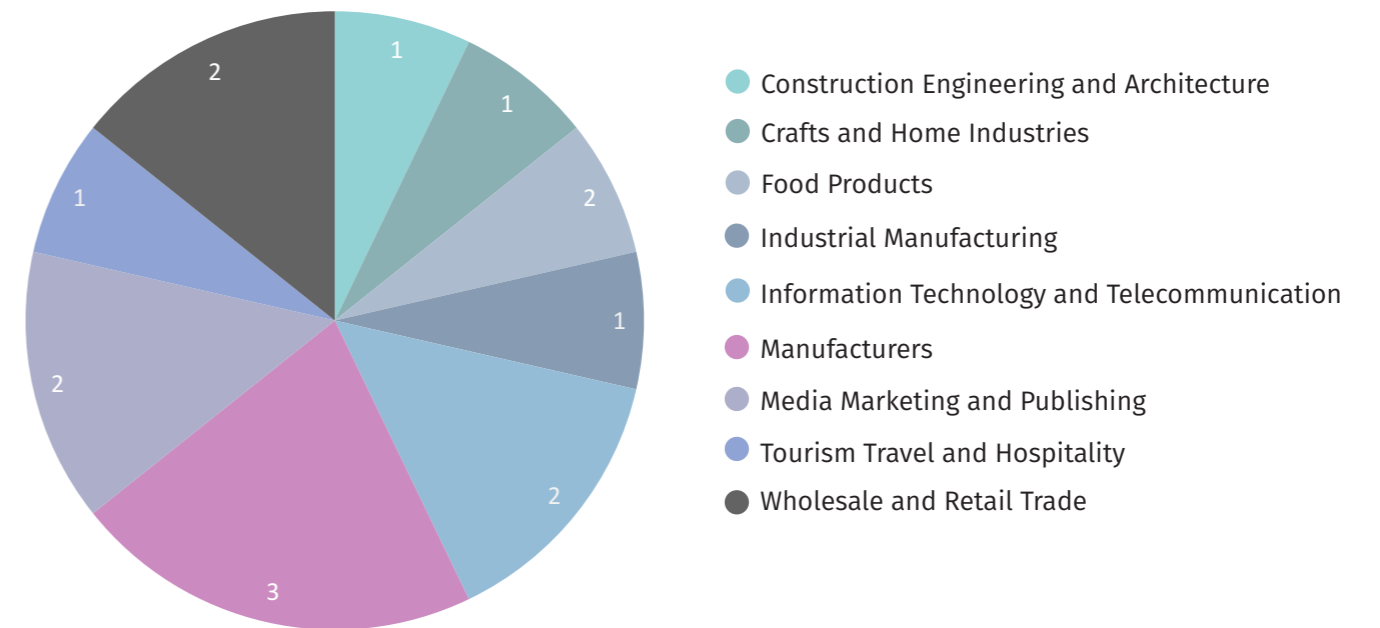
MPUMALANGA



LIMPOPO

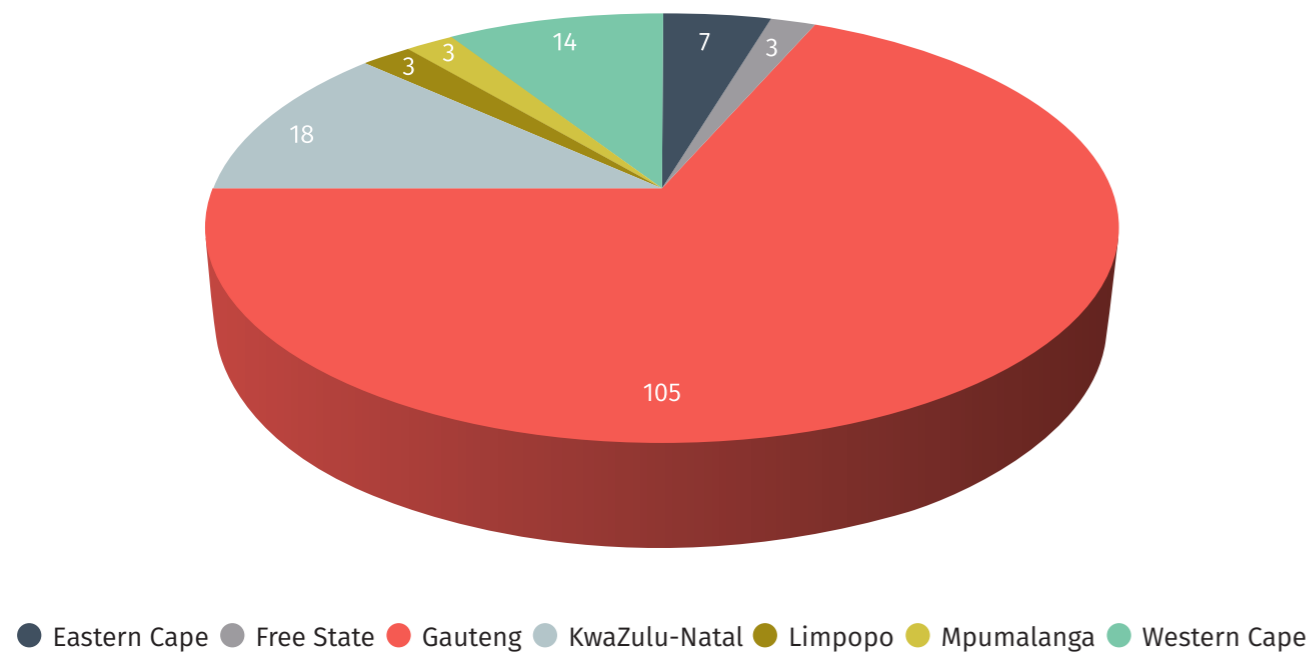


WESTERN CAPE

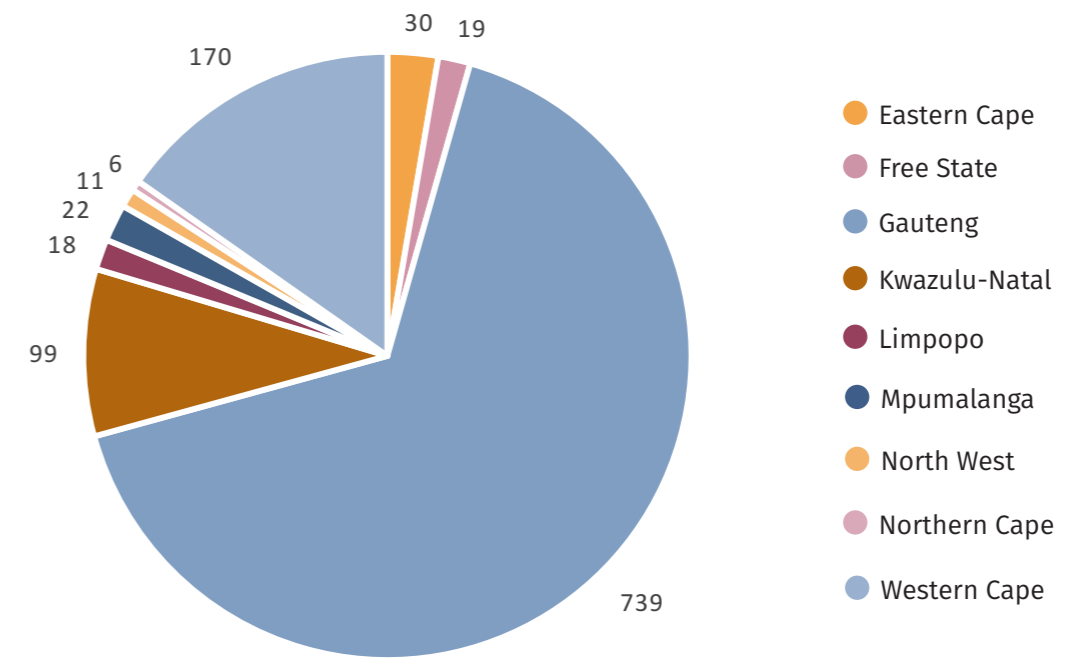


2.4. Total membership as at 31 March 2017 by province and sector

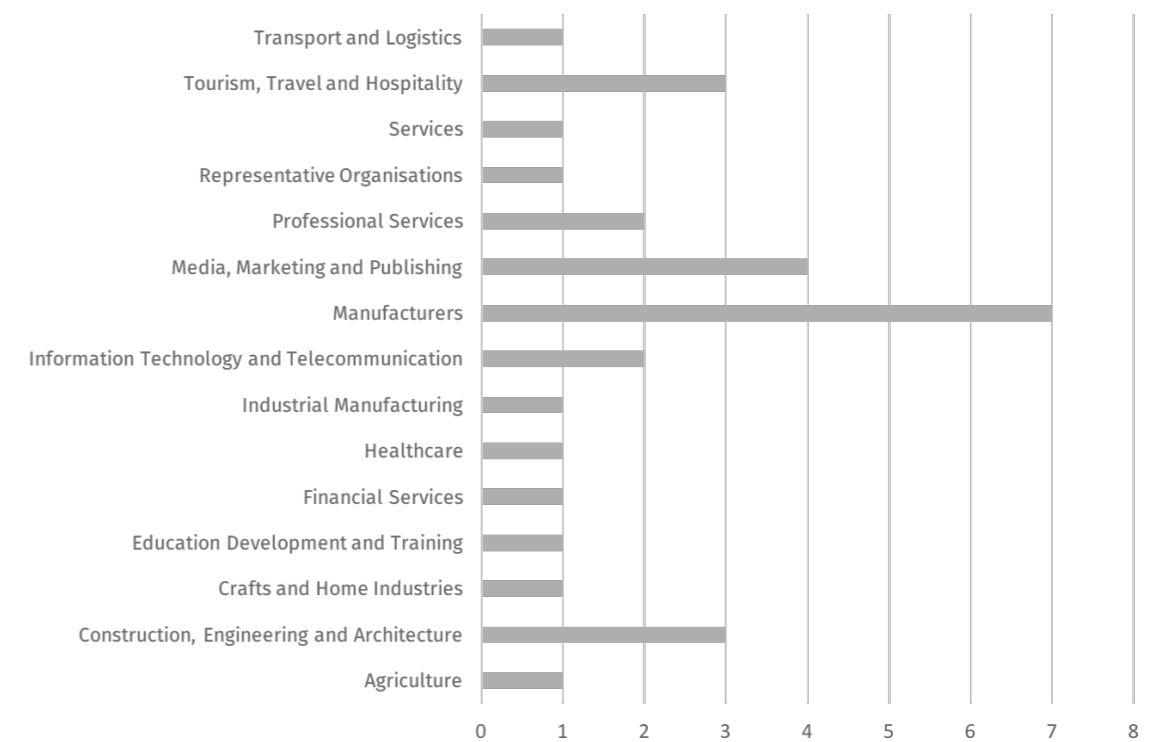
TOTAL NUMBER OF MEMBERS RECRUITED PER PROVINCE 2016/2017



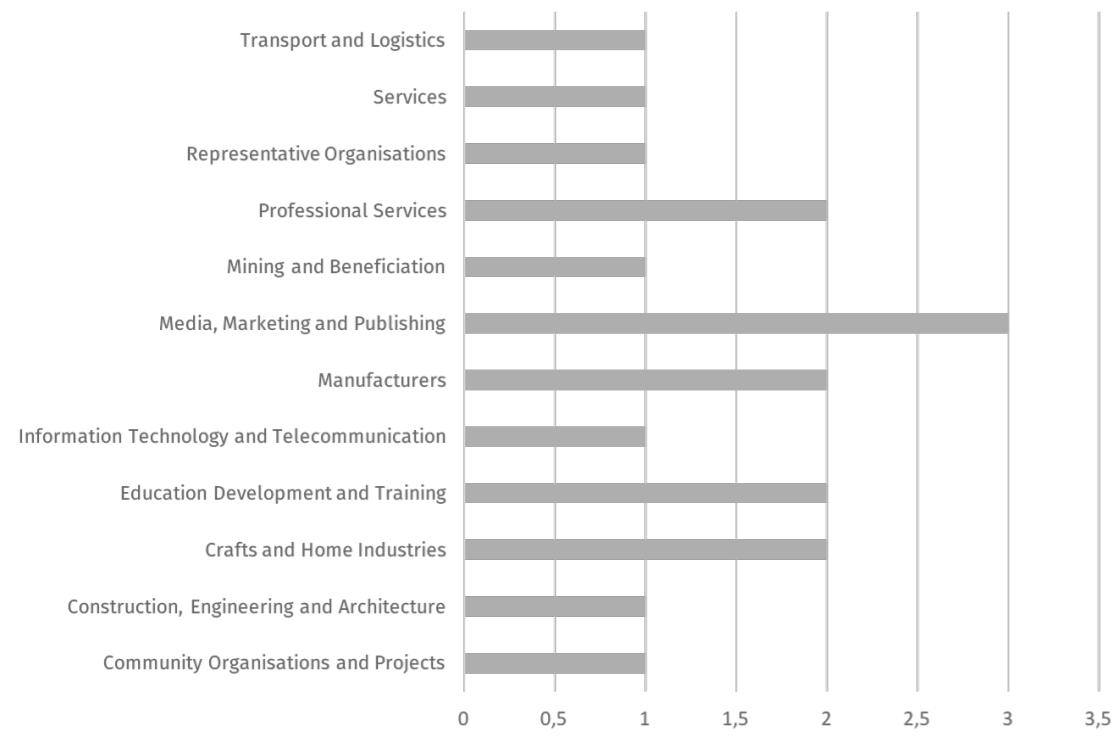
MEMBERSHIP PER PROVINCE



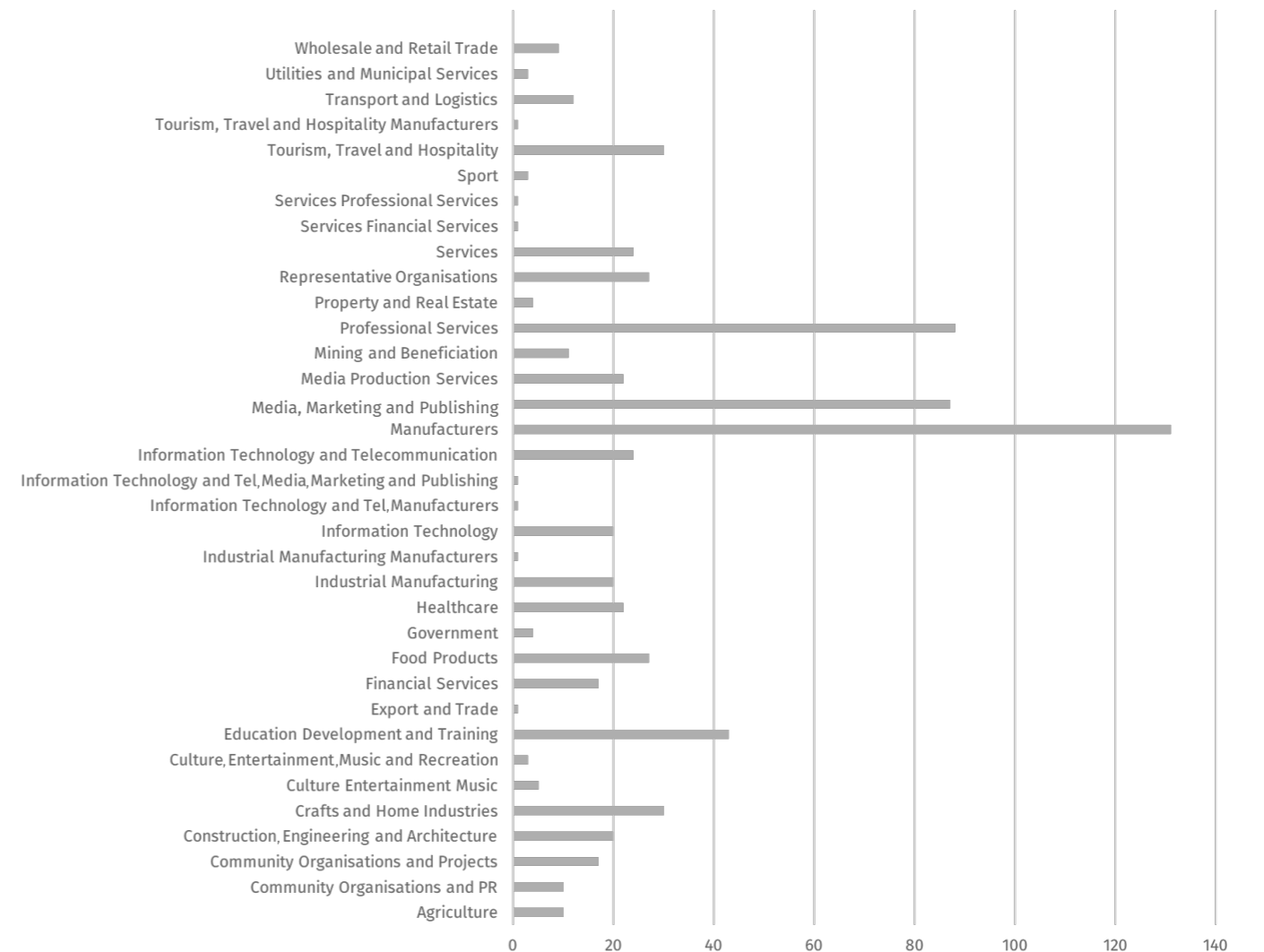
EASTERN CAPE PER SECTOR



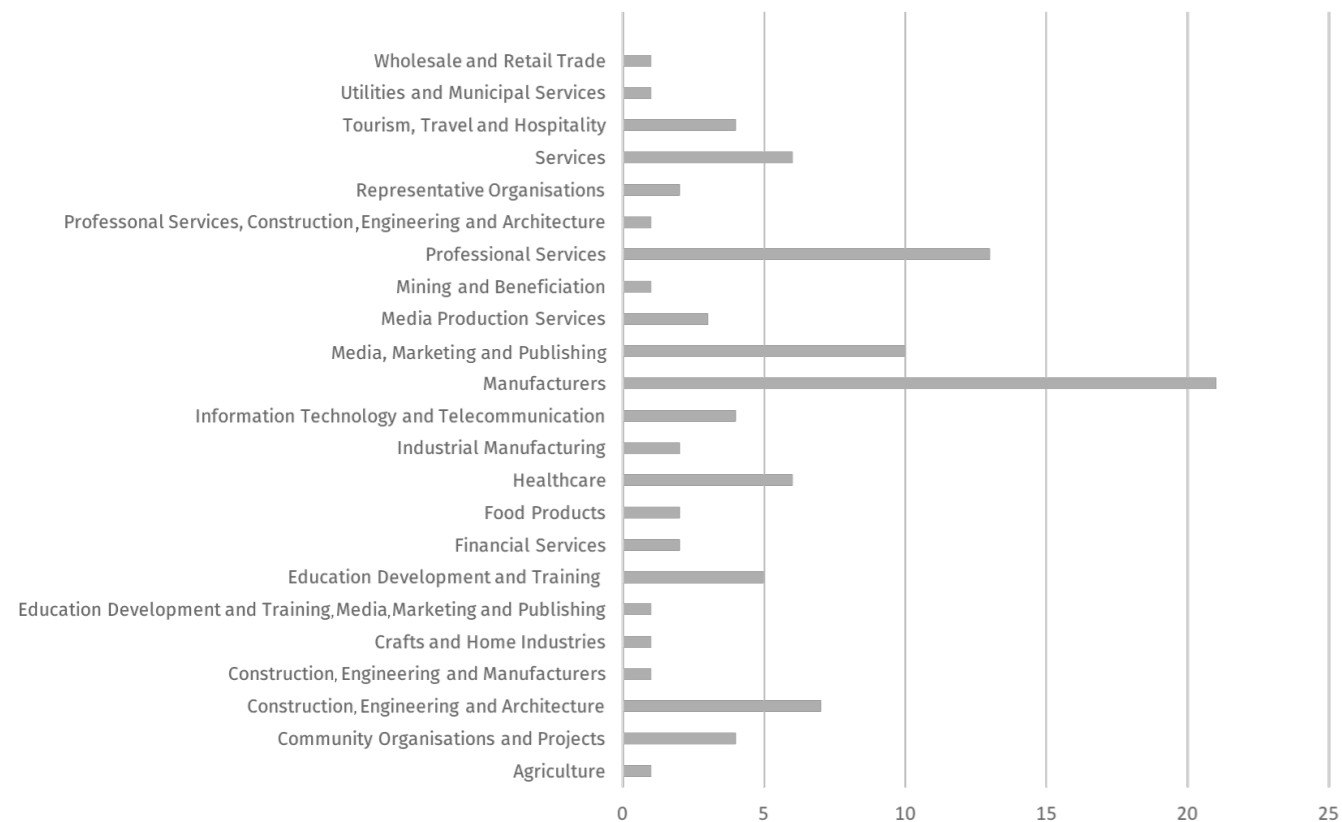
FREE STATE PER SECTOR



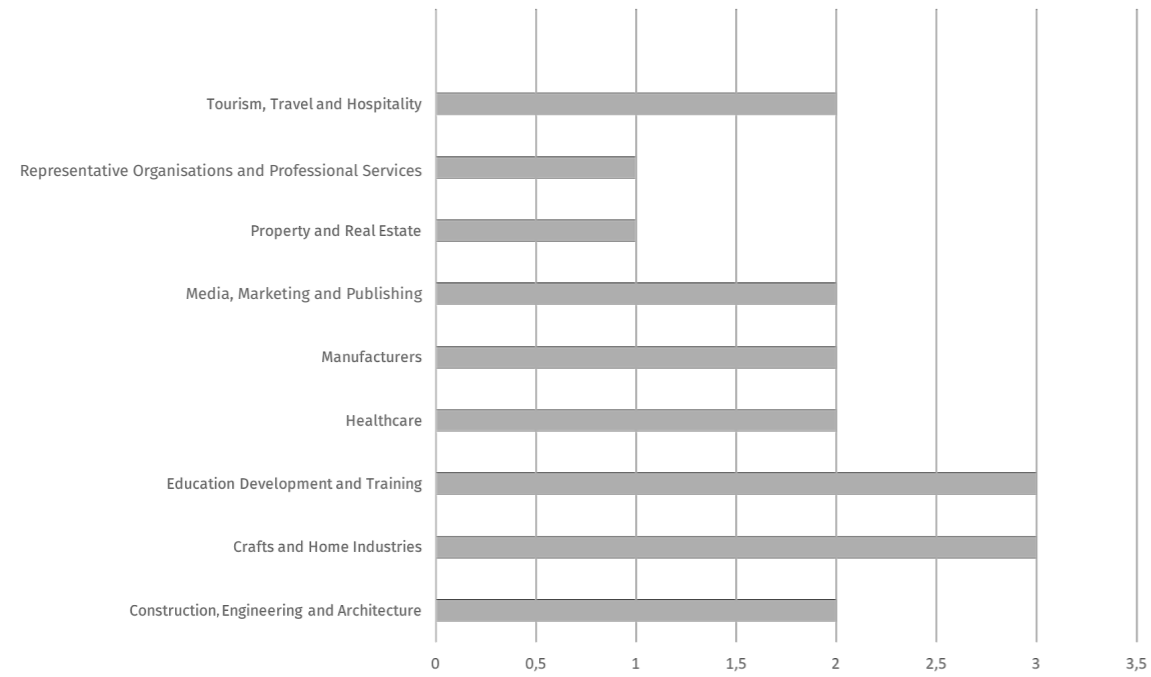
GAUTENG



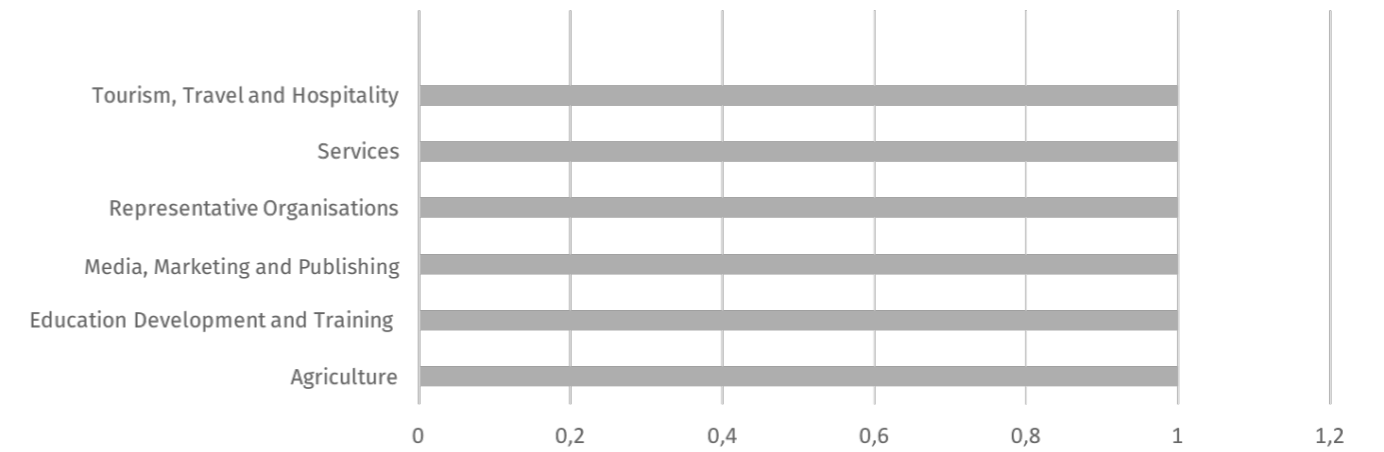
LIMPOPO PER SECTOR



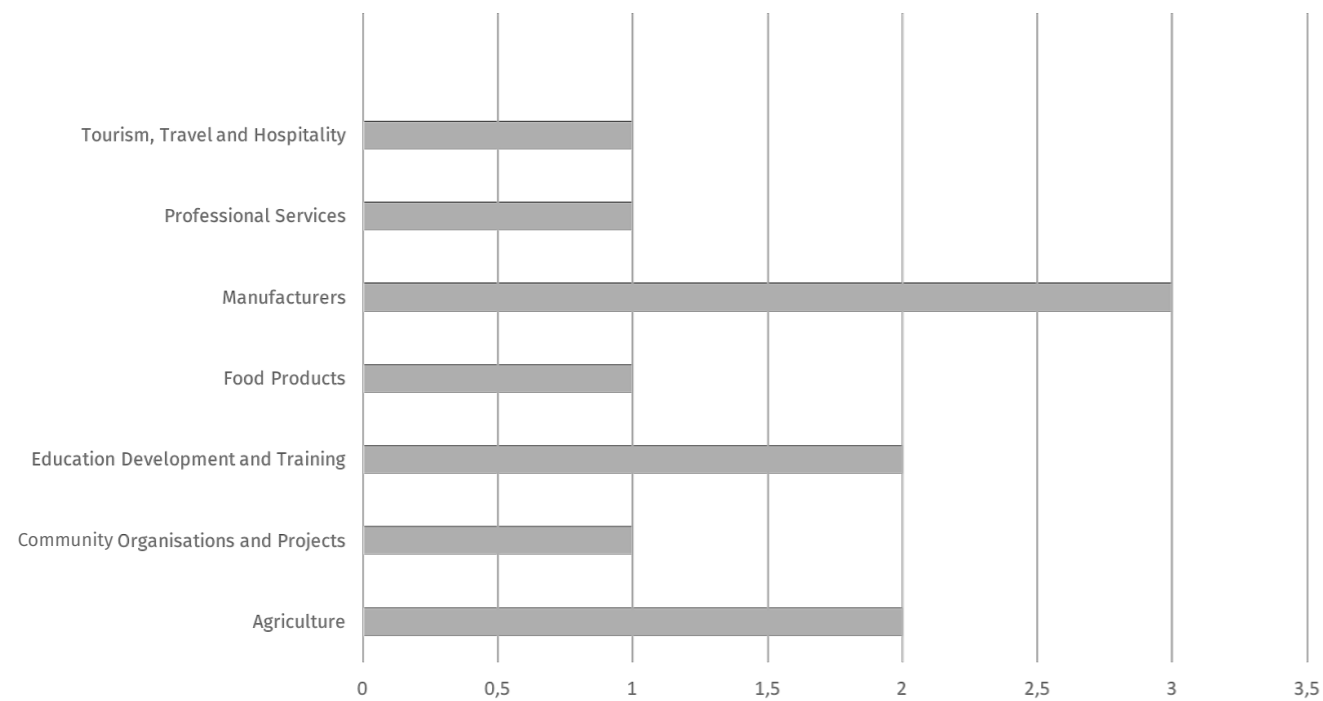
KWAZULU-NATAL



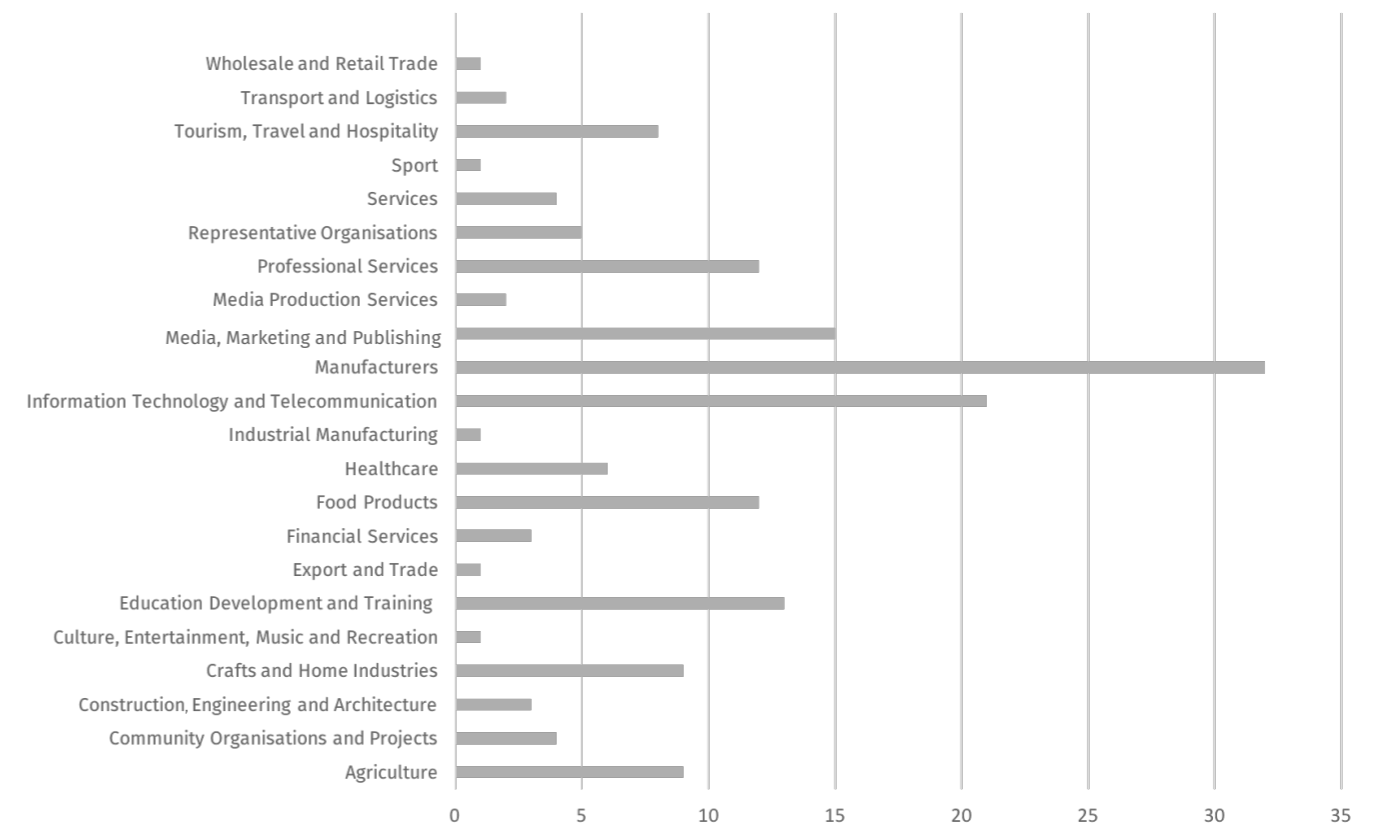
NORTHERN CAPE



NORTH WEST



WESTERN CAPE



3. An overview of the period 2016/2017

The number of approved members for the period 2016/2017 remained stable at an average of 150 since 2013/2014. The final number for 2016/2017 is 153 and it indicates a shortfall of 17% that was forecast in the 2015/2016 Annual Performance Plan.

The second and third quarters saw an average of 45 companies approved for membership, whereas the fourth quarter performed the least favourable at 21 due to the end of the festive season/start of the new year, and the commencement of the inaugural two-day Buy Local Summit and Expo in April 2017.

Proudly SA's designation of sectors emulates the 21 as indicated in the **dti's** Industrial Policy Action Plan. Members were recruited from seven out of the nine provinces, where the North West and the Northern Cape failed to attract any interest of new member companies. Gauteng far out-performed all the other provinces in recruiting 105 new members where each designated sector was represented; 27 members stemmed from the Manufacturing sector, and 10 from Media, Marketing and Publishing. KwaZulu-Natal recruited 18, and the Western Cape, 14 members, respectively.

Overall, Proudly South African's member base stands at 1,114 throughout all nine provinces in the country. Gauteng is the most widely represented with 739 active members, thereafter, the Western Cape came in at 170 members, and thirdly, KwaZulu-Natal at 99 members.

4. Looking forward to 2017/2018

With the phenomenal increase in the value proposition for Proudly South African member companies (refer to point 1 above), it is expected that the member base will increase by 200 in the 2017/2018 financial year with a retention rate of 90% of all members due for renewal. It is therefore forecast that the Proudly South African member base will reach over 1,200 by the end of the next financial year.

It is noted that the North West and Northern Cape provinces are grossly under-represented in Proudly SA's member base. Various networks including associations and councils, especially within the Manufacturing, Enterprise Development and Farming sectors will be approached to partner Proudly SA to ensure the Campaign is equally represented in all nine provinces.

The membership department will focus in 2017/2018 firstly on renewing all the member companies that are due for renewal, and thereafter companies who are present in the system with inactive, cancelled and withdrawn membership status' in order to introduce the Campaign's expanded list of member benefits.



Proudly South African Since 1916



Our Activities

Key Activations & events

African. Buy local



Soweto Street Cookout

02 April, 2016

The Soweto Street Cookout is a food experience that focuses on food created by some of Johannesburg's local chefs, and which aims to celebrate local cuisine. The event is in the style of a marketplace, with food stalls each showcasing the craft of the chefs, serving as encouragement to young and upcoming professionals in the catering sector. Proudly South African participated in this event to spread the Buy Local message and to showcase and celebrate local foods, as well as to re-emphasize the call to celebrate local in all sectors of the economy.

Reach for this event: 2 000 people

Target Audience: Consumers and businesses



The Annual Back to Kasi Seminar

02 April, 2016

This annual event targeting young entrepreneurs took place at the University of Johannesburg Soweto campus. It attracted large numbers of students, and featured speakers including radio host and CEO of Masechaba Media, Masechaba Ndlovu as well as the Proudly SA CEO. This event raised the profile of the Proudly South African brand, showing that it cares about youth development and is working to help build a strong, young entrepreneur base that believes in the Buy Local movement and economic development of South Africa.

Reach for this event: 200 people

Target Audience: Youth, consumers and businesses



International Franchise Expo and Conference
08 -10 April 2016

The International Franchise Expo, organised by the Franchise Association of South Africa (FASA) comprised two parts, namely a conference and an exhibition. The Expo, sponsored by Absa, provided visitors with over 100 franchise and business opportunities from which to choose, but also played a significant role in ensuring that help and advice was available to visitors to the Expo interested in taking up a franchise opportunity. The event gave Proudly South African a platform for membership recruitment, as well as access to big franchisors to whom we spoke about their own procurement programmes. It also provided existing Proudly South African companies with the opportunity to exhibit, making this part of our value proposition to members and part of our retention programme. Member companies that took up this opportunity were Flamiqo Marketing Solution, Ollso-Langa (leather shoe company) and Excellence Motor Trimmers. The conference was attended by retailers including as Pick 'n Pay, Checkers. and was addressed by the Proudly South African CEO.

Reach for this event: 4 000 people
Target Audience: Consumers and businesses

Freedom Day event in partnership with the Gauteng Provincial Legislature
28 April 2016

As part of our CSI programme, this initiative by Proudly South African in partnership with the Gauteng Provincial Legislature, visited four shelters based in Bekkersdal, Randfontein, Krugersdorp and Toekomsrus. The shelters are home to unemployed women and their children who are victims of abuse and who are in need of food supplies. The programme of the day included messages of support from different speakers.

Reach for this event: 100 people
Target Audience: Businesses and youth



FMCG Insight Conference
10 May, 2016

Budget Vote

This event, which took place in the National Assembly, marked the delivery of Budget Vote 31 on Small Business Development and was addressed by the Department's Minister, Ms. Lindiwe Zulu. This event provided Proudly South African with a platform to showcase our Campaign and elaborate on our mandate to promote local companies and products and to lobby government to increase their local procurement spend. The event was a partnership with other agencies including NAFCOC, SEDA and SEFA.

Reach for this event: 100 people
Target Audience: Business and government

The FMCG Insight Conference, in partnership with the Sunday Times, took place at the Turbine Hall, and was an opportunity for buyers, sellers, retailers and manufacturers to come together to discuss the South African retail space, how South Africa compares to international markets, e-commerce spend, and the current opportunities and risks in the FMCG sector. The platform offered Proudly South African an opportunity to exhibit and to push the message of procuring local goods as well as an opportunity for recruitment.

Reach for this event: 200 people
Target Audience: Retailers, sellers, buyers and manufacturers

Mrs. Right Guy movie premiere
19 May, 2016

Proudly SA, in partnership with Indigenous Films, came out to support South Africa's film industry and to highlight the talent that exists in our country within the arts industry. This was also an excellent platform to educate consumers about the negative impact that piracy has on our film industry and how it destroys job opportunities within the sector. Profiling local movies helps increase viewership, ensuring they stay longer on circuit, increasing the cinemas' and the production companies' revenue base. This in turn enables South African filmmakers to produce more local movies as demand increases. This premier offered Proudly South African the platform to broaden its message of Buy Local from traditional goods and services to include the entertainment sector.

Reach for this event: 600 people
Target Audience: Consumers and the media



Limpopo Business Forum, Limpopo
24 May, 2016

This Business Forum formed part of our national networking roadshow which aims to educate non-member businesses about the benefits of joining the Buy Local Campaign and of becoming Proudly South African member companies. These forums are also a mechanism to bring the Campaign closer to existing members who operate in provinces outside Gauteng and to stimulate inter-member trade. Held at the Fusion Boutique Hotel and sponsored by Absa as part of their enterprise development programme, the event was oversubscribed indicating a demand for information and interest in the Proudly South African Campaign.

Reach for this event: 150 people
Target Audience: Business and government



Inspire Trade Expo 2016
01-03 June, 2016

Inspire Trade Expo, South Africa's premier furniture, decor & design trade exhibition, took place at Gallagher Convention Centre, Midrand and showcased the latest in furniture and decor trends while providing pure inspiration to the decorating world from our pool of creative designers and manufacturers. The furniture sector has a key role to play in growing employment opportunities and can contribute significantly to the growth of the country's economy and for this reason Proudly SA's recruitment drive is very proactive in this sector. The event allowed the Proudly South African Campaign to showcase and promote the products of existing members in the local furniture industry.

Reach for this event: 1 000 people
Target Audience: Business, government and consumers



Smart Procurement World Conference
8-9 June, 2016

The Smart Procurement World Conference and Exhibition took place over two days at the Inkosi Albert Luthuli International Convention Centre in Durban, where Proudly SA was given a platform to exhibit and promote Proudly SA's offerings. Although attendance on Day One was relatively low, there was a lot of interaction with delegates during the workshops. The second day was more fruitful as we obtained a number of new membership leads. The overall objective of the conference was to present new ideas regarding the function of local procurement and how its impact must not be underestimated.

Reach for this event: 600 people
Target Audience: Business and government



UN Procurement Summit/Conference
13-14 June, 2016

The UN Procurement Summit (South Africa) was held at the CSIR Convention Centre in Pretoria. This was South Africa's inaugural Enterprise & Supplier Development showcase for the United Nations. The event brought together over 250 business leaders from corporate South Africa as well as members of government in order to align local supplier development to the UN's procurement principles, processes and requirements, with the objective of having a positive impact on social development and job creation. The conference highlighted niche areas yet untapped for Proudly South African to explore including the defence industry, worth looking at for its job creation potential. The conference also served as a platform for Proudly SA to cement its working relationship with the key partners to this event – Denel, Armscor, Engen, the dti, AMD, NDIC and CSIR – amongst others. In addition, the Minister of Small Business Development was very pleased to see Proudly SA represented within this space.

Reach for this event: 2 500 people
Target Audience: Business, consumers and government



Generation Next Youth Conference
10 June, 2016

Hosted at the Sandton Convention Centre, Johannesburg, the Sunday Times Generation Next Youth Marketing Conference again delivered valuable insights into the aspirations of South African youth, current marketing influences and brand trends important for Generation Z. The conference was followed by an interactive showcase with local brands delivering exciting, innovative and engaging activations designed to grab the attention of both the youth and adults. The event closed with an under 18's party. The opportunity to focus exclusively on this key segment is important for the Campaign as youth are the influencers and drivers of many families' buying habits.

Reach for this event: 2 500 people
Target Audience: Youth, youth marketers, business and consumers





North West Business Forum, Rustenburg
28 June, 2016

This Business Forum is part of the Campaign's national road show to educate businesses about the benefits of networking that becoming a member of Proudly South African brings. It stimulates inter-member trade as member delegates profile their businesses to potential new buyers and suppliers. It also forms part of the Buy Back SA Campaign and is a mechanism to bring the Campaign closer to members outside Gauteng and to recruit new members. The event gives small and medium companies an opportunity to grow by linking them with our strategic partners such as Transnet, Absa, the dti, Productivity SA and NCPC who use this platform to promote their initiatives that assist small and emerging businesses. The event was sponsored by Absa as part of their enterprise development programme. The event was oversubscribed which shows a demand for information and the appeal of the Proudly South African Campaign.

Reach for this event: 120 people
Target Audience: Business and government

KwaZulu-Natal Business Forum, Durban
30 June, 2016

The event forms part of the series of national roadshows and was held at the Durban ICC. It was also sponsored by Absa as part of their enterprise development programme. It was well attended, including by KZN's MEC of Economic Development. Other speakers at the event included Productivity SA and NCPC as well as Absa (Enterprise Development).

Reach for this event: 130
Target Audience: Business and government.



Nelson Mandela Day
18 July, 2016

Proudly SA, in partnership with the Al-Imdaad Foundation, Procter and Gamble, Mr. John Adams, GAME stores and MAQ volunteered their time and sponsored various items for the Helen Joseph Hospital. Activities included cooking for patients, handing out soup to out-patients, cleaning of the dining hall area, donation of blankets for the patients, as well as toothbrushes and supplying paint and cleaning detergents to the hospital. This was used as a platform to introduce the campaign and the work it does to the hospital staff (consumer education).

Reach for this event: 500
Target Audience: Consumers (Staff from the hospital and from partnering institutions)

Pikitup Business Forum, Gauteng
04 August, 2016

Hosted at the Radisson Blu Gautrain Hotel in Sandton, Johannesburg and in partnership with Pikitup, this business forum put the focus on the franchise sector, creating awareness around the importance of responsible waste management and the preservation of the environment. All of Proudly SA's business forums are aimed at educating consumers on the importance of buying locally manufactured products and at getting the business community to support the Campaign's drive to stimulate the economy through local procurement. In addition they provide member recruitment opportunities for the Campaign. Representatives from Pikitup, Proudly SA, The Franchise Association of SA, Consumer Goods Council SA and the National Cleaner Production Centre SA addressed the delegates.

Reach for this event: 105 people
Target Audience: Franchise, waste, green and related businesses, private business and government



Gateway Mall activation
4 July, 2016

One of the campaign's core deliverables is educating consumers on the importance of buying local and its economic benefits, and a presence in shopping malls is an efficient way of reaching and interacting with many consumers. Mall activations such as this aim to stimulate awareness around buying local and the label of origin campaign, to boost recognition of the Proudly South African brand and logo, and have the potential to attract new members to the Campaign. The event was hosted by KZN media personality Mablehr, who helped to draw interest to the activation.

Reach for this event: 5000 people
Target Audience: Consumers





Northern Cape Business Forum, Kimberley

24 August, 2016

Part of Proudly SA's efforts to equip small to medium enterprises (SME) with information which will assist them to contribute to growth and sustainability in the Northern Cape, this forum was made more effective and results-driven by bringing players such as Transnet (main sponsor), Absa, Productivity SA, the dti, NCPA-SA and UNOPS, who all showcased their financial and non-financial support programmes for SMMEs. The event was hosted at the Protea Hotel Kimberley, Northern Cape and was addressed by the province's MEC of Finance, Economic Development and Tourism Mr. Mac Jack. The event offered an opportunity for members and non-members to network. These forums also afford the Campaign an opportunity to keep in touch with the needs and expectations of members, enabling us to maximise our value proposition for them and for potential new members. The event was also used to profile the UNOPS project which aims to create awareness and build capacity on eco-labelling for Proudly SA stakeholders in the agricultural sector.

The event was extremely successful with extensive media coverage, including a live TV transmission featuring local companies as well as an interview of Proudly SA's Happy Ngidi conducted by the SABC News channel; the Proudly SA Business Forum was the top trending topic in South Africa on 24 August 2016 – under the hashtag #KimBizForum.

Reach for this event: 80

Target Audience: SMMEs and government

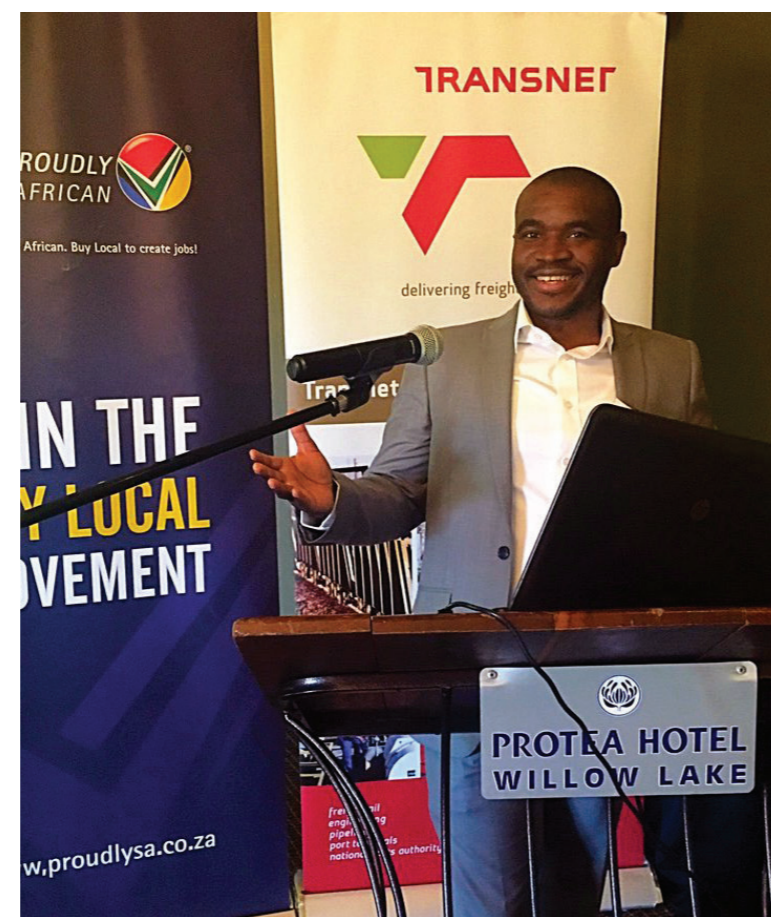
Free State Business Forum, Bloemfontein

25 August 2016

Business forums stimulate local production and procurement in the targeted region. They also serve as a platform to recruit companies to become part of the national Buy Local movement and as a way in which Proudly SA can retain members. Absa partnered with the Campaign in these forums and was able to profile their own support initiatives for SMMEs. This forum was made more effective and results-driven through partnering with institutions such as Transnet (main sponsor), Absa, Productivity SA, the dti, NCPA-SA and UNOPS. It was hosted at Protea Hotel Willowlake, Free State. Apart from the networking opportunities these events provide, they also enable Proudly South African to identify potential new members in the Free State. The event was also used to promote the Proudly SA/UNOPS partnership which aims to create awareness and build capacity on eco-labelling for Proudly SA stakeholders in the agricultural sector.

Reach for this event: 110

Target Audience: SMME, business and government



Noem My Skollie premiere

29 August, 2016

In support of the South African film industry, Proudly SA partnered with Max-D Productions for the promotion and support of local movie Noem My Skollie. The film industry is one of the priority sectors identified for support by the dti in terms of the Industrial Policy Action Plan (IPAP). Proudly SA used this platform as an opportunity to push the Buy Local message and the importance of supporting our local film industry, highlighting the talent we have in our country both in front of and behind the camera.

Reach for this event: 190 people

Target Audience: Consumers



The 2nd Annual Vita Basadi Awards in partnership with the Gauteng Provincial Legislature

31 August, 2016

The 2nd Annual Vita Basadi Awards took place at the Gauteng Legislature, Johannesburg City Hall. These awards honour remarkable women of all ages who have made a positive impact in their communities without reward. Proudly SA sponsored the 18 winners with Proudly SA member products. This platform seeks to educate consumers and business representatives in attendance about the economic benefits of buying local and it supports government's drive to empower women to become entrepreneurs who will contribute to the creation of much-needed jobs in their communities.

Reach for this event: 500

Target Audience: Government, business and consumers

UCS Business Funding Expo
30-31 August, 2016

The 4th Annual UCS Business Funding Expo took place at the University of the Free State (UFS) in Bloemfontein and was hosted by UCS Business. The event focussed on the high unemployment rate, slow economic growth, as well as the importance of the role that can be played by a thriving SME sector. Access to funding and local business opportunities were at the centre of the event's focus. Consumers were educated about the offering of companies within the SMME sector, including Proudly SA, SARS, NHBRC and TUHF. The expo provided the campaign with both a consumer education and recruitment opportunity.

Reach for this event: 50
Target Audience: SMME, business and government



Women of Substance: Meet the Locals
03 September, 2016

This forum served as a soft launch for the "Meet the Locals" campaign, while honouring and paying tribute to remarkable South African women. The breakfast event was addressed by a panel of keynote speakers which engaged the audience, celebrated women and discussed issues relating to women in business in South Africa. It also focused on the importance of supporting local business, in particular through increasing local procurement and was an opportunity for a few women-owned member companies and our staff to showcase the Campaign. Representatives from corporates, SOEs, small business as well as media and South African personalities were invited to the event, which was held at the Fairlawns Boutique Hotel and Spa in Morningside, Sandton. The breakfast garnered support for the Campaign from key influential women in business and media, all of whom have a large social media following.

Reach for this event: 87 people
Target Audience: Women in business



21st Annual NEDLAC Annual Summit 2016

09 September, 2016

The 21st Annual NEDLAC Summit reviewed NEDLAC activities for the year 2015/2016, assessed the socio-economic landscape and addressed key challenges facing the country while charting a way forward to deal with the challenges of poverty, unemployment and inequality. The event was hosted at Birchwood Hotel in Ekurhuleni, Gauteng and was addressed by Deputy President Cyril Ramaphosa who spoke on the theme, "Rapid economic growth to create decent jobs." The Minister of Labour, Mildred Oliphant; Jabu Mabuza representing the business sector; Laura Kganyago representing communities and Bheki Ntshalintshali representing organised labour also addressed delegates. The Summit took place against the background of numerous policy initiatives that the country has undertaken including the National Development Plan, New Growth Path, the Nine Point Plan and several social accords on skills, youth employment, green economy, and local procurement. Proudly SA exhibited at the event and pushed the message of local procurement.

Proudly SA was represented by Chairperson Mr. Howard Gabriels, board member Michael Lawrence, and the Proudly SA Acting CEO Eustace Mashimbye. It was also attended by top business, labour, government and community leaders.

Reach for this event: 200

Target Audience: Representative of all social partners (labour, government, business and community organisations)



South Africa Innovation Summit

23-24 September, 2016

Hosted at Birchwood Hotel Ekurhuleni, Gauteng, The SA Innovation Summit 2016 was an exciting event that brought together a diverse range of companies who are innovators in their own sectors. The Innovation Hub, which organised the event, is a Proudly SA member organisation. As such, Proudly SA had a heightened profile dedicated Pavilion where member companies exhibited under our umbrella. In an example of 'walking the talk,' Proudly SA used the services of member company ScanDisplay for the assembly of the stand. This event provided exhibitors with an opportunity to establish new business leads and potential business ventures, and formed an important part of our value proposition for the small businesses, the backbone of the economy, providing hundreds of jobs between them.

Proudly SA Invited the following SMME enterprises to exhibit with us at the summit:

- Oll So Langa
- Royal Mabundu Brands
- Khepri Innovations
- Prijap Biolife
- Makhamisa
- Circumfort
- Mathote Modular Building system
- Brigado
- Excellence Motor Trimmers

Reach for this event: 3 000

Target Audience: Private sector, government and consumers



Eastern Cape Business Forum, Port Elizabeth

27 September, 2016

Business forums stimulate local production and procurement in the targeted region. They also serve as a platform to recruit companies to become part of the national Buy Local movement. Absa partnered with Proudly South African in these forums and was able to profile their support initiatives for SMMEs. The forum was hosted at the Radisson Blu Hotel in Summerstrand. Representatives from Absa, the dti, Proudly SA, Productivity SA, and the National Cleaner Production Centre SA spoke about enterprise development opportunities offered by their respective organisations. The forum surprised us with very high attendance rate almost exceeding venue capacity, which showed the need for information as well as the eagerness to improve by businesses in the region.

Reach for this event: 130

Target Audience: SMME, business and government



COSATU Western Cape Proudly SA Local Procurement Conference

30 September, 2016

The COSATU Western Cape Proudly SA Local Procurement Conference took place at the Cape Town International Convention Centre. Amongst the key objectives of the conference was to promote increased uptake of local products in the Western Cape by delegates and attendees and to educate them on the importance of doing so.

The conference was divided into three sessions; the first focused on the labour representatives from Cosatu Western Cape (shop stewards), the second on school-going youth, whilst the third session focused on the business sector in Western Cape. The Chairman of Proudly South African, Mr. Howard Gabriels, made presentations on the Buy Local campaign at all three sessions.

The conference concluded with a concert promoting local music in the Western Cape as part of contributing to growing the arts industry as a job creator and significant contributor to the provincial and national economy.

Reach for this event: 250

Target Audience: Labour, business and young consumers



Gugulethu Square Shopping Centre activation
1 October, 2016

Proudly SA hosted a mall activation at Gugulethu Square shopping centre in the Western Cape. All Proudly SA's consumer interactions at malls centre on education around the importance of supporting and buying local products. They also act as an informal way of introducing Proudly SA to consumers who are unaware of the Campaign.

Reach for this event: 500 people
Target Audience: Consumers



Construction Business Forum in partnership with Pikitup
13 October, 2016

Proudly South African, in partnership with Pikitup hosted a forum which aimed to educate consumers and companies within the construction sector about the negative impact on the environment caused by the poor waste management practices in the building and construction process. One of Proudly South African's core criteria for membership is adherence to responsible environmental policies and practices. Other speakers included the Construction Industry Development Board (CIDB) and Green Building Council. The event was held at the Crowne Plaza, Rosebank and achieved its strategic goals as outlined above.

Reach for this event: 80 delegates
Target Audience: SMME, government and business



Western Cape Business Forum, Cape Town
3 October, 2016

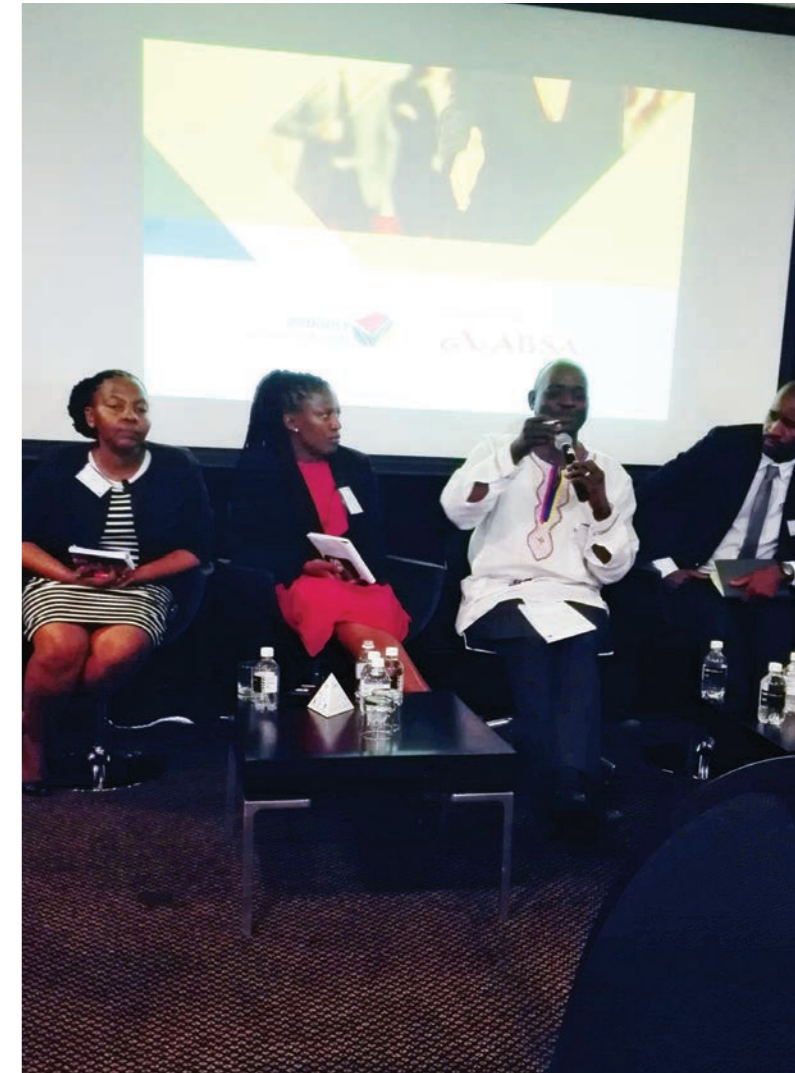
The Western Cape Business Forum which was hosted at the African Pride 15 on Orange Hotel in Cape Town, aimed to reach out to regional businesses with the objective of both recruiting new members and spreading the Buy Local message, and to garner support from the business sector and targeted authorities operating within the area. The turnout was not as high as anticipated, but representation from the entrepreneurial sector was good. The delegates enjoyed discussions with Mr. Ruiters, Regional Manager at the National Cleaner Production Centre SA, Mr. Archillies, Customer Care Chief Directorate, Incentive Development and Admin Division at the dti and Proudly SA's Mrs. Ngidi. Through the delegate survey, we learnt that businesses benefitted from the opportunity overall.

Reach for this event: 60 delegates
Target Audience: Business, government and labour

Gauteng Business Forum, CSIR, Pretoria
27 October, 2016

Proudly SA Buy Back SA roadshows give small and medium companies an opportunity to grow by linking them with our strategic partners such as Transnet, Absa, the dti, Productivity SA and NCPC SA a number of whom have programmes that assist such businesses. From attendance levels, it was apparent that there is a need and a demand for the platform in this region, especially for start-up businesses. The forum was ideal for forging business connections between delegates and recruiting new members into the movement.

Reach for this event: 80
Target Audience: Government, SMMEs, business



IT Sector Specific Business Forum with Sizwe IT, Gauteng
5 October, 2016

This business forum aimed to bring key decision makers in the IT sector into one space. Developing this sector is important as it plays a significant role in the local procurement of IT material and software, which has brought about a major shift in reindustrialising and growing the industry to the benefit of employment and training. Nine exhibitors showcased their products and services and the event featured six speakers, namely Sizwe IT, Sizwe Connect, SEDA ICT, Technology Innovation Agency and Proudly South African. The event took place at The Venue, Melrose Arch and gave the organisation a platform to collaborate with Sizwe IT – a member company – to promote the Buy Local movement in this sector.

Reach for this event: 80 delegates
Target Audience: SMME, government and business





DIRCO Annual Diplomatic Fair
29 October, 2016

The Department of International Relations and Cooperation (DIRCO), hosted the Diplomatic Fair at the Union Building lawns, Pretoria, under the theme: "OR Tambo Lives! Celebrating the Life and Legacy of OR Tambo". Hosted annually, the event serves as a key platform to educate the public about diplomacy and South Africa's foreign policy objectives. It brings together accredited embassies to showcase and promote cultural diplomacy through art, music and cuisine. As a key partner, Proudly South African was given exhibition space along with Proudly SA member companies which included Excellence Motor Trimmers and Yamama Gemmer ginger beer. This was an ideal opportunity to interact with international markets and embassies from around the world to showcase South Africa's Buy Local campaign.

Reach for this event: 2000 people
Target Audience: SMME and government, dignitaries, diplomats, local ministers



Festive Season Campaign media launch
17 November, 2016

An intimate media lunch was hosted in partnership with the Gauteng Tourism Authority at the Agog Gallery and restaurant within the Maboneng precinct, an area prioritized by the Authority for tourism rejuvenation. The event focused on bringing key media role players under one roof to introduce them to Proudly South African's Campaign plans for the festive season. It served as an opportunity for Proudly SA to strengthen relationships with various media houses while lobbying for their support in the festive season campaign. This partnership with Gauteng Tourism achieved the goal of creating synergies between the two organisations for future events and activities

Reach for this event: 30 guests
Target Audience: Members of the media



Mpumalanga Business Forum, Nelspruit
24 November, 2016

Designed to equip small to medium enterprises (SME) for growth and sustainability within Mpumalanga and hosted by Proudly South African, this business forum was made possible by bringing together essential role-players such as Absa (main sponsor), Productivity SA, the dti and NCPC SA. The forum was hosted at the Protea Hotel Nelspruit, Mpumalanga. The forum created opportunities for Proudly SA member companies and non-member companies to network with Proudly SA representatives and amongst themselves by creating a

conducive environment that carried the ethos of local procurement. Mpumalanga Provincial Government, SEDA Mpumalanga, Megro Learning, Lowveld Media and MiTV were important participants in the event. The event also hosted UNOPS as a partner, which aimed to create awareness and build capacity on eco-labelling for Proudly SA stakeholders in the agricultural sector.

Reach for this event: 80
Target Audience: SMME and government



4th Annual SA Premier Business Awards, Sandton Convention Centre
6 December, 2016

The South African Premier Business Awards is an annual ceremony hosted by the Department of Trade and Industry in partnership with Proudly South African and Brand South Africa. The awards recognise business excellence and honour enterprises that promote the spirit of success and innovation as well as job creation, good business ethics and quality. These awards bring together all single sector categories, among others, technology, manufacturing and women in business. Proudly SA contributed to the overall event and planning activities both strategically and in respect of operations.

Reach for this event: 1000
Target Audience: Government and business



Festive Season Campaign Mall Activations, Various locations

Nov-Dec 2016

In the build up to the festive season, Proudly SA took its Buy Local message out to consumers in malls and shopping centres across the country, encouraging them to buy local gifts and groceries for the holiday season. Using dance, music and interaction with well-known South African celebrities, consumers had the opportunity to win prizes while learning about the importance of buying locally-manufactured products, that either displayed the Proudly SA logo or the country of origin labels such as 'Made in South Africa' or 'Product of South Africa.'



- **Waterfall Mall, Rustenburg – 12 November 2016**
Reach for this event: 500
Target Audience: Consumers
- **Menlyn Mall, Tshwane – 19 November 2016**
Reach for this event: 500
Target Audience: Consumers
- **Riverside Mall, Nelspruit – 26 November 2016**
Reach for this event: 500
Target Audience: Consumers
- **Maponya Mall, Soweto – 03 December 2016**
Reach for this event: 500
Target Audience: Consumers
- **Sandton City, Johannesburg – 15 December 2016**
Reach for this event: 500
Target Audience: Consumers
- **Cresta Mall, Johannesburg – 15 December 2016**
Reach for this event: 500
Target Audience: Consumers
- **Eastgate Mall, Johannesburg – 15 December 2016**
Reach for this event: 500
Target Audience: Consumers

Africa Trade Summit

7-8 February, 2017

The Africa Trade Summit and Expo created a platform for African SMMEs to trade globally and locally through innovative big business and trade linkages. The event was held at the Cape Town International Convention Centre (CTICC). Proudly SA Chief Executive Officer Eustace Mashimbye gave a presentation on 08 February 2017 on Proudly SA and local procurement. The dti provided a well-designed stand which Proudly SA and the NEF shared for exhibition purposes.

Reach for this event: 3 000
Target Audience: SMMEs



Show your Love for South Africa
14 February 2017

To mark Valentine's Day, Proudly SA in partnership with Mango Airlines handed out over 1000 roses, hand-held South African flags and cupcakes to members of the public both in-flight and on the ground with the theme "Love is in the air". The in-flight activation targeted return flight to/from Durban, Johannesburg and Cape Town and the ground activation took place at Lanseria International Airport. Local artists Thami Shobede and Charlie Mind Games performed on the ground, and were very popular with the public. Moving the annual event from the highways to the sky ways was a great success, and served to show love for the people of South Africa and promoted social cohesion and national pride.

Reach for this event: 7 000
Target Audience: Consumers





Africa Energy Indaba
21-22 February, 2017

Hosted by Siyenza Marketing, the Africa Energy Indaba is Africa's premier energy event, bringing together the continent's leading players in the sector to unlock the energy opportunities presented across Africa. The indaba was supported by partnerships between leading energy organisations, such as the World Energy Council, the South African National Energy Association and the NEPAD Planning & Coordinating Agency. Proudly SA exhibited at the show from 21-22 February at Sandton Convention Centre, JHB and invited a Proudly SA member company, Bokone Gas to share the exhibition space.

Reach for this event: 2 000
Target Audience: Energy Sector

2017 Proudly South African Buy Local Summit & Expo media launch
28 February 2017

Proudly South African hosted the Buy Local Summit & Expo Launch 2017 at The Forum, Turbine Hall, Johannesburg to announce sponsors and partners for the 2017 event to the media and other key stakeholders. Proudly South African CEO Eustace Mashimbye introduced the companies whose partnerships would ensure that the 6th edition of the Summit would be the largest to date and gave context to the event by outlining the principles of the campaign.

Reach for this event: 35
Target Audience: Media, sponsors and key stakeholders



Global Entrepreneurship Congress (GEC) – 14-15 March 2017

The GEC attracted an audience which included thousands international start-up champions, representing more than 170 countries. With the objective of assisting entrepreneurs to start and scale up in new ventures around the world, the week-long GEC allowed delegates to make connections, gain insights, learn about new research, and saw them leave ready to renew their programmes, policy ideas and firm up business skills. Proudly SA was one of the key partners and exhibited at the event from 14-15 March 2017. The event took place at the Sandton Convention Centre, Johannesburg.

Reach for this event: 5 000
Target Audience: Entrepreneurs, Investors, Researchers, Policy Makers



Buy Local Summit and Expo, Sandton Convention Centre
3-4 April 2017

The 2017 Buy Local Summit & Expo was extended to a two-day event from its traditional one day only. Initially scheduled for 22nd & 23rd of March, in line with the campaign's deliverable as contained in the 2016/17 Annual Performance Plan, the event was pushed out to accommodate Minister's availability. The focus of the Summit was on the Campaign's efforts to achieve localisation goals, in line with the NDP and the re-industrialisation drive as contained in IPAP.

The SMME focused workshop and One Stop Shop on Day One was aimed at empowering local SMME's and was oversubscribed. The conference and exhibition took place on the second day, with the theme "Driving Industrialisation and Growing the Economy (with reference to the Industrialisation Policy Action Plan)". The property is growing exponentially and stakeholders are increasingly keen to participate in the event, with many already committed to future opportunities. With a total of 180 exhibition stands showcasing locally manufactured products and services, exhibitors represented all sizes of businesses across many different sectors, including clothing and textiles, pharmaceuticals, automotive sector, and food & beverage. Speakers included the Minister of Small Business Development, Ms. Lindiwe Zulu, Minister of Trade and Industry, Dr. Rob Davies, CEO of Jet (Edcon), Head of Merchandising and Buying at Pick 'n Pay, economists and other industry leaders.

Reach for this event: 6 000
Target Audience: Business, Government, Consumers, Procurement Officers



Media & PR



The 2016/17 year started off with Proudly SA receiving residual media coverage following the 5th annual Proudly SA Buy Local Summit, which was hosted on 30th March 2016. However, coverage received through quarter 1 (Q1) was an accumulation of a myriad of events and activities including the continuation of the CEO's editorial pieces, Proudly SA taking a stand on local music representation, our involvement in Nestlé's centenary as well as a focus on South Africa's automotive sector.

In Q1 of the year in focus, as compared against the same period the previous year, the number of media clippings dropped. In the previous year, the Campaign was part of the annual CEO SleepOut in which it elected not to participate this year. In addition, The SA Premier Business Awards (SAPBA) – a function co-hosted by Proudly SA, Brand SA and the dti – also did not take place during this quarter as it had previously.

Proudly SA's Buy Back SA provincial business networking forums were well underway as we entered Q2, and these gave the Campaign substantial regional and national media coverage throughout the year.

Proudly SA's disappointment in SASCOC's second consecutive importation of the official kit for South Africa's national athletics team received extensive publicity in August 2016.

The 2016 Municipal Elections, which took place in August, have been described as the most significant elections of democratic South Africa. The PR department was based at the IEC's Results Operation Centre in Tshwane during elections week to network

with the many local and international media outlets present in an effort to strengthen media relations.

Between September and November 2016, the PR department underwent a change of management, but continued to publish regular releases and maintain a strong media presence. Electronic media and a proliferation of online news sites are increasingly carrying our stories, as reported through our media monitoring service.

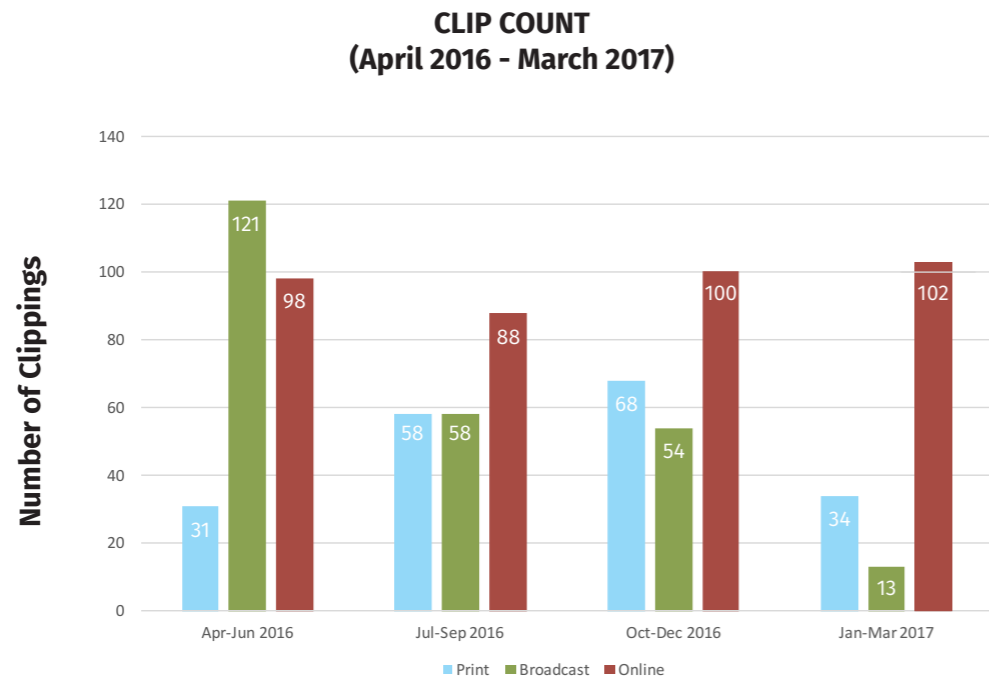
During Q3 we refined our media monitoring search criteria to exclude all mentions of 'proudly South African' that did not have an upper case 'P' and which therefore did not refer directly to the Campaign. This has had the effect of reducing the number of clippings received and as a result our AVE figures have dipped, but we believe that this change means that we have more accurate reports and statistics on Proudly South African's presence in print, broadcast and online media.

Our social media presence has grown significantly due to increased activity and presence on various platforms, and at the end of the current year in focus had 12 800 followers on Facebook, and just over 135 000 on Twitter. Followers frequently interact with us and we receive a number of membership enquiries on these platforms.

The PR Department is always working to find new angles for media stories, from light hearted coverage of our Valentine's Day activation, to serious financial commentary on TV and radio business shows, to lifestyle features and general news coverage.

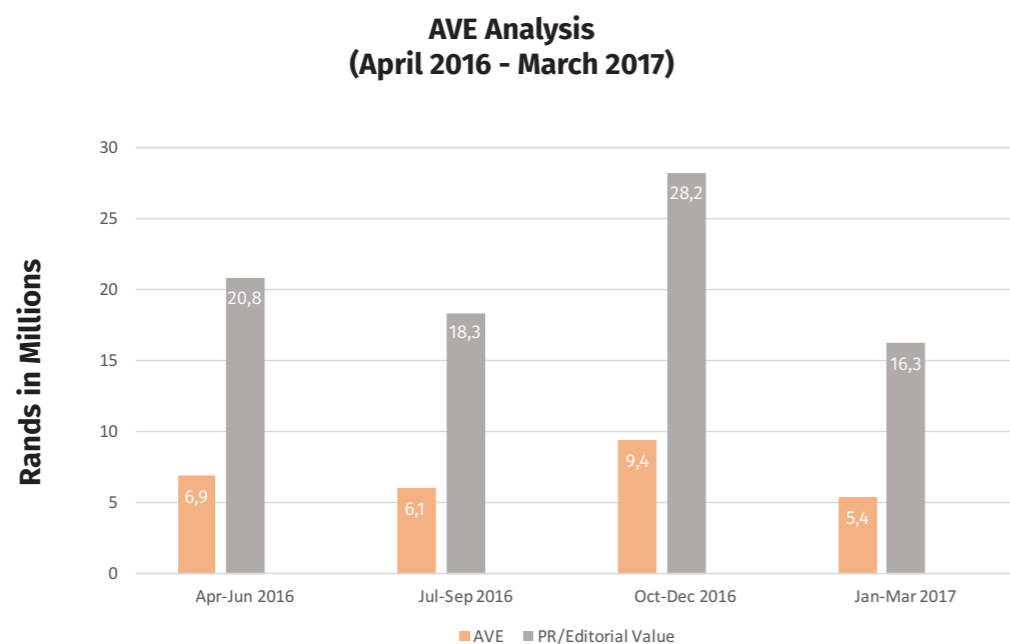
Clip count analysis

The clip count analysis illustrates the total number of media clippings for each media platform i.e. print, broadcast and online for the period under review (April 2016 to March 2017).



AVE analysis

The Advertising Value Equivalency (AVE) is what editorial coverage would cost if it were advertising space (or time). PR/Editorial value is derived by multiplying the AVE by three, as per industry norms. The total AVE value between April 2016 and March 2017 is R 27,8 million. The PR value for the same period amounts to R83,6 million.



Press Releases / Op Eds / Articles

The following were issued / published during the year in focus

No	Date	Headline
1	17 April 2016	South Africa's automotive industry
2	April 2016	Downgrade op ed for GCIS – placement
3	13 April 2016	Proudly SA supports call for more local music representation
4	18 April 2016	Business & government inclusion is crucial for social dialogue on community level (requested by Mr. Mthlane, Board member)
5	19 April 2016	Proudly SA applauds Nestle SA for its century of investment in SA
6	16 May 2016	Proudly SA applauds SABC for decision to prioritise local music
7	18 May 2016	Proudly SA backs latest local rom com – calls on SA to flood cinemas and support local films
8	18 May 2016	Proudly SA calls on private sector to “buy local”
9	23 May 2016	Where is the American poultry? Proudly SA asks stockists
10	31 May 2016	CEO op ed in Sowetan “Giving SA music a chance to thrive”
11	9 June 2016	New and cool Proudly SA added to annual Generation Next Award
12	10 June 2016	SA Rugby Union pledges to support local goods and services
13	16 June 2016	Proudly SA encourages the nation's youth to embrace constitution, social cohesion towards a non-racial and united country
14	23 June 2016	Proudly SA helps small business grow in the North West & KZN
15	23 June 2016	BET Awards: Proudly SA roots for “fab four” proudly flying SA flag on international stage
16	23 June 2016	Proudly SA calls for national boycott of racist establishments and custodial sentences for racists
17	17 July 2016	PROUDLY SA CALLS ON THE NATION TO BE A FORCE FOR GOOD ON MANDELA DAY AND BEYOND
18	8 August 2016	Opinion Piece for SANCO's Mr. Dumisani Mthlane (also Overall Convener: Nedlac and Proudly SA Board Member) HAS THE AFRICAN NATIONAL CONGRESS LOST THE PLOT
19	12 August 2016	PROUDLY SA ENDORSES LATEST LOCAL FILM PRODUCTION – PREDICTS MAJOR BOX OFFICE SUCCESS
20	12 August 2016	PROUDLY SA ON MISSION TO CATAPULT SMALL BUSINESS TO NEW HEIGHTS
21	16 August 2016	Press Release for Bloemfontein business forum PROUDLY SA ON MISSION TO CATAPULT SMALL BUSINESS TO NEW HEIGHTS
22	16 August 2016	Press release for Kimberley business forum PROUDLY SA ON MISSION TO CATAPULT SMALL BUSINESS TO NEW HEIGHTS
23	17 August 2016	Joint press release Step Up 2 A Start Up Bootcamp and Awards Ceremony

24	18 August 2016	PROUDLY SA TO CALL PUBLIC INDABA ON SUPPORTING LOCAL, FOLLOWING OLYMPIC KIT UPROAR
25	22 August 2016	TIME TO PASS ON THE BATON - PROUDLY SA CEO
26	22 August 2016	Press release for Proudly SA member company, Empowaworx SA'S MOST SUCCESSFUL WOMEN CONVERGE TO SHARE KNOWLEDGE
27	14 September 2016	EASTERN CAPE SMALL BUSINESSES NEXT TARGET FOR DEVELOPMENT FORUM
28	16 September 2016	Press release for the SA Premier Business Awards BUSINESS INVITED TO SUBMIT ENTRIES FOR THE 4th ANNUAL PREMIER BUSINESS AWARDS
29	19 September 2016	PROUDLY SOUTH AFRICAN APPLAUDS DIRECT FOREIGN INVESTMENT IN SA
30	29 September 2016	Press release for Western Cape Business Forum in October CAPE TOWN SMALL BUSINESSES INVITED TO ATTEND DEVELOPMENT FORUM
31	3 October 2016	CLOSING DATE FOR 4th ANNUAL PREMIER BUSINESS AWARDS ENTRIES EXTENDED
32	19 October 2016	PROUDLY SA ON MISSION TO CATAPULT SMALL BUSINESS TO NEW HEIGHTS
33	31 October 2016	SEASONED LEADERS UNITE TO ADDRESS SA'S TRIPLE CHALLENGE For member company, EmpowaWorx
34	12 November 2016	PROUDLY SA URGES CONSUMERS TO INVEST IN SOUTH AFRICA THIS FESTIVE SEASON
35	17 November 2016	PROUDLY SA'S MISSION TO CATAPULT SMALL BUSINESSES TO NEW HEIGHTS CONTINUES
36	21 November 2016	BUSINESS TO BE CELEBRATED AT 4TH ANNUAL SA PREMIER BUSINESS AWARDS
37	30 November 2016	NEW APPOINTMENTS GIVE PROUDLY SA ADDED IMPETUS AND DIRECTION
38	30 November 2016	OLD MUTUAL AND TSOGO SUN TO SPONSOR 4TH ANNUAL SA PREMIER BUSINESS AWARDS
39	1 December 2016	ENTERPRISING YOUNG ENTREPRENEURS AWARDED AS THEY STEP UP 2 SOCIAL CHALLENGES
40	12 December 2016	PROUDLY SA TEAM PLANS FLASH MOB MALL INVASIONS TO PROMOTE LOCAL IS LEKKER CAMPAIGN
41	30 January 2017	PROUDLY SA SHOCKED AT MURDER OF SOWETO MANAGER
42	31 January 2017	PROUDLY SA BUY LOCAL SUMMIT & EXPO EXTENDED TO 2 DAYS IN 2017
43	1 February 2017	PROUDLY SA REGRETS JOB LOSSES IN THE POULTRY SECTOR
44	6 February 2017	STATEMENT FROM PROUDLY SA ON LOSING A RUGBY LEGEND AND ICON
45	6 February 2017	DATE OF PROUDLY SA'S 6TH LOCAL SUMMIT & EXPO CHANGED
46	15 February 2017	SHOWING LOVE FOR SA WITH PROUDLY SA AND MANGO
47	28 February 2017	PROUDLY SA ANNOUNCES ITS PARTNERS FOR THE 2017 BUY LOCAL SUMMIT & EXPO
48	1 March 2017	Opinion Piece for Pretoria News: WHY BUYING LOCAL MATTERS by Eustace Mashimbye
49	6 March 2017	ADCOCK INGRAM BECOMES THE FIRST MAJOR PHARMACEUTICAL COMPANY TO TAKE UP PROUDLY SA MEMBERSHIP
50	13 March 2017	FRANCHISE ASSOCIATION OF SA URGES MEMBERS TO SUPPORT LOCAL PROCUREMENT
51	29 March 2017	PROUDLY SOUTH AFRICAN TO EXPLORE IDENTITY & HERITAGE AT BUY LOCAL SUMMIT & EXPO

Media Visits / Engagements

To build and strengthen good working relationships with the media – and to promote good media coverage of Proudly SA and its activities – the PR Manager and the PR officer had both formal and informal meetings, networking sessions and or interactions with members of the media and/or advertising officials from the following media platforms (among others) during the financial year 2016/17.

Q1 Apr- June 2016	Q2 Jul- Sept 2016	Q3 Oct- Dec 2016	Q4 Jan- Mar 2017
<ul style="list-style-type: none"> • Business Report • eNCA • SABC News • Ukhozi FM (KZN) • Isolezwe (KZN) • Ilanga (KZN) • Gagasi FM (KZN) • Red Zone • Equinox • SA Business Integrator • Kaya FM • Zee Entertainment • Cliff Central • City Press • Sunday Times • Sowetan 	<ul style="list-style-type: none"> • Business Report • eNCA • SABC News • Ukhozi FM • Isolezwe • Ilanga • Gagasi FM • Radio 2000 • Red Zone • Equinox • SA Business Integrator • Kaya FM • Zee Entertainment • Cliff Central • City Press • Sunday Times • Sowetan • The Herald Newspaper • SA Fashion Handbook • Daily Dispatch • Umhlobo Wenene • Northern Cape Times • Mail & Guardian • SA FM • Cape Community FM • JSE Magazine • The New Age • Tru FM • Diamond Fields Advertiser • SABC News 	<ul style="list-style-type: none"> • Sowetan • Soweto Life magazine • ANN7 • SABC TV • eTV Sunrise • Kaya fm • SABC Morning Live • UNISA Radio • ANN7 • CNBC Africa 	<ul style="list-style-type: none"> • Power FM • Kaya FM • eTV • Radio 2000 • The New Age • Radio Islam • Soweto TV • ANN 7 • Soweto Life magazine • Business Day TV • VOW FM • SME South Africa • Business Report • SABC • Beeld • Citizen

Brand Management

Branding is a very important asset of any organisation with the capacity to increase the capital of a company.

All the elements of a brand need to be looked at holistically with all the components working in synergy, in order to give the brand life.

A strong, recognisable brand creates value with the simple familiarity of its logo. It can buy customer retention, and reduce buyer dissonance providing it can be trusted.

As more businesses recognise the importance of their brand in the space in which they operate, they have begun to invest more into brand credibility and the added value it can bring their bottom line.

The Proudly South African brand is no different, and we have worked to build a brand proposition that can add value to those companies that carry our logo.

We have worked on increasing logo usage on as many platforms as our members support - from packaging to websites, advertising and invoicing and hard copy or digital stationery.

Promoting the brand and its logo has offered opportunities to undertake a number of marketing activities designed to build brand awareness and visibility and ultimately to impact buying behaviour in favour of member companies, easily identifiable by the brand's logo.

The activities included:

The activities included:

- Below-the-line marketing events, which directly access identified companies for potential recruitment, as well as an opportunity to educate them on the buy local campaign;
- Above-the-line marketing with a mass approach to educating consumers on buying local ;
- Improving brand value through better positioning, creating brand trust and credibility through association for member companies carrying the logo ; and
- Activations aimed at exposing more consumers to the logo and educating them as to its meaning and the implications of making buy local choices.



Brand Positioning

Proudly South African is an internationally recognized organisation and is South Africa's national "Buy Local" Campaign. In South Africa, Proudly SA is the proprietor of the Trademark phrase, 'Proudly South African'

As the proprietor of the trademark registration, Proudly South African is protected in terms of the Trade Marks Act 194 of 1993, against any third party from using the mark in the course of trade, without Proudly South African's authority,

that is identical or confusingly similar to the Proudly South African Logo.

The trademarks (the phrase and logo) are also legally protected in accordance with the Merchandise Marks Act, Counterfeit Goods Act and Common Law. Only registered members of the Proudly South African Campaign (and those given special permission) are authorized to use the trademarks.



Member Logo



Corporate Logo

Correct use of trademarks

Proudly South African members, upon approval of membership, are given access to the Members' Portal. Here they are able to download the Proudly South African corporate identity and logos for use on packaging, marketing and branding materials.

Members are also given the option to forward their designs to Proudly South African, to ensure that the logo is applied correctly. A Corporate Identity Manual was repackaged to give users of the logo a guideline on the use and application of the logo. Continuous communication and marketing of the logo is used to educate members about correct logo use and correct logo application. This includes getting members to use the logo to promote their membership to the Proudly SA Campaign.



Trademark permissions

To ensure that the Buy Local message reaches the youth, Proudly South African often grants publishers permission to use the Trademarks in various educational materials. The Trademark is also given to all members and partners of the Campaign. The right to use the logo lies with the Proudly South African Campaign and we hold the right to decline the use of the logo. Once companies are granted membership, they are given the Corporate Identity manual in order for them to correctly use the logo.

Unauthorised use of trademark

The use of the Trademarks is monitored both internally and through Proudly South African's intellectual property lawyers, Adams and Adams. Illegal use of the logo includes:

- A company continuing to use the logo when they have not renewed their membership;
- A company that is not a registered member of the Campaign using the logo;
- Using the incorrect logo;
- Misleading the public by using wording that is confusingly similar to that of the Campaign, to gain undue benefits from association with the Campaign; and
- Misleading the public by using a logo that is confusingly similar to that of the Campaign, to gain undue benefits from the association with the Campaign;
- The illegal use of the logo will result in an internal cease and desist letter. Failure to comply with the request will result in the matter being raised with our IP lawyers, Adams & Adams;
- Cases are monitored with the law firm through monthly meetings, updates on open cases as well as new infringement cases.

Corporate Identity

The design of all advertising, internal and external material is handled through the Brand Manager and the design team, in order to maintain a corporate identity that is consistent throughout the organisation. The designs and messaging are applied in such a way that it is easily identifiable by consumers when they see adverts or promotional material.

Internal presentations, e.g. for sponsorships, follow the same design path. Maintaining the same look improves the brand value and brand image in the consumer's mind, makes the brand identifiable and gives the brand a personality. This has been done for our purchases of promotional material as well as for our messaging and design in all above the line and below the line activities.



Below the Line Campaigns

The Proudly South African website which is currently being updated, will retain its current look and feel and will serve as a vehicle to support the events calendar and to assist in the recruitment of members.

Promotional material has been designed and procured to supplement the above the line campaign, continuing the theme, and brand identity of all our other collateral and platforms, further emphasising the messaging.

We have custom designed an exhibition stand which will ensure that we maintain the same look and feel standard across all the expos we attend. We are reworking the messaging to keep it current, making it attractive to potential new members and to ensure it is memorable for consumers.

The creation of internal documents such as a Membership Handbook and campaign presentations have supplemented sponsorship proposals and include our value proposition, better to sell the Campaign to potential members and consumers.

Above the Line Campaigns

The above the line campaign is aimed at a mass audience to convey the Buy Local message. The campaign focussed on 3 key messages:

- Meet the locals
- Festive season campaign
- Buy Local Summit & Expo

Taking a look at platforms that reach the target audience and are cost effective, we used various print, digital as well as outdoor media to share the key messages. Designed to both increase awareness of the campaign and our logo to consumers as well as to increase uptake of membership to the campaign, the advertising also sought to increase the desirability of the brand. The increased visibility of our logo in above the line advertising allows for the brand to be top of mind and assist in value creation to members whose products carry the same logo.

Campaign Objectives

- Create and build awareness for the Proudly SA Brand
- Promote the Buy Local Summit & Expo
- Educate consumers on the importance of buying local
- Promote the Country of Origin label to improve sales of local products
- Showcase local brands sponsoring the Buy Local Summit & Expo
- Strengthening our brand alignment with big brand member companies

1.1 Meet the Locals

Meet the Locals is an ongoing campaign of collaboration with members to share a common message of buying local and showcasing locally manufactured products. Platforms on which this was shared included:

- Eqinox Magazine
- Sawubona Magazine
- Generation Next magazine
- JSE Magazine
- SA Business Integrator
- SA Fashion Handbook
- East Rand Industrial Magazine
- Smart Procurement World



1.2 Festive Season Campaign

The festive season campaign was created to drive the Buy Local message in the run up to the December holidays. As consumer spending increases, and year-end bonuses are paid, the aim was to direct that spend towards local products and services.

Campaign	“Festive Season Campaign” “Buy local this festive season”
Objectives	Calls to Action: Promote buying local goods and services. Promote the Meet the Locals Campaign as part of the overall marketing strategy
Elements	Mall activation, Mall advertising, street pole adverts, print, PR activities
Activity	<ul style="list-style-type: none"> • 4 Mall activations • Mall advertising, digital MAPP pods & hanging banners • Radio & TV interviews • Street pole adverts • Print advert
Period	1 November 2016 – 15 January 2017
Target Market	South African consumers (buying public)



1.2.1 Mall Advertising

Period: 15 November 2016 – 15 January 2017
Elements:

- Digital Mall Portal Maps
- Hanging Banners
- Escalators
- Lift Doors
- Interior Billboards
- Exterior Mall Billboards
- Glass Wall
- Glass Entrance
- Parkade Branding
- Digital Interior billboards
- Regions: Gauteng, Western Cape, KwaZulu Natal
- Malls: Canal Walk, Cavendish, Cresta, Eastgate, Gateway, Golden Acre, Lakeside, Liberty Promenade, Menlyn, Sandton, Southgate, The Pavillion, The Zone, V&A Waterfront, Wonderpark



1.2.2 Outdoor Advertising: Township Advertising

- **Media:** Billboards & Rank TV
- **Regions:** Gauteng, KwaZulu Natal, Western Cape
- **Reach:** Gauteng - 12,272,263 KwaZulu Natal - 10,267,300 Western Cape - 5,822,734



1.2.3 Print Advertising:

Media: Equinox Magazine



1.2.4 Social Media

The above the line campaign was supplemented by below the line activities such as social media presence on Twitter, Facebook and Instagram. Mall activations and consumer engagement was also an important element of the campaign.



1.3. Buy Local Summit & Expo Campaign

The Buy Local Summit & Expo is our flagship event and an opportunity to promote the Campaign as well as to drive businesses and procurement officials to attend the event. Whilst this was the primary purpose of above the line activities, secondary to that is brand visibility, making the brand stronger and more relevant to businesses.

The platforms used to promote the event include print, television, outdoor billboards & radio adverts. The Buy Local message has been incorporated in the promotion of this event and has given the campaign a wider reach as well as strengthening brand association with other important stakeholders sponsoring and aligned to the event and Campaign. By including big brand member and sponsor logos in the promotion of this event we have been able to leverage their brand equity.

Campaign	Join us at the Buy Local Summit & Expo 'Be Proudly South African, Buy local to create jobs'
Objectives	Call to action: Join us at the Buy Local Summit & Expo. Drive attendance at the expo and conference
Elements	3 Billboards 18 street poles Radio Adverts Television adverts Newspaper advert Magazine adverts
Period	January 31st – 4th April
Target Market	Business & SMMEs



1.3.1. Print advert

Print ads were taken out in

Media:

- Business Report adverts Date: 27 Feb Reach: Circulation 253 452/Readership 1 166 000
- City Press ads Dates 12/19/26 March and 2 April One ad in Business Section on each of 12/19/26 March Reach: Circ 81 488/Readership 165 300
- Sowetan online Date: 27/28/29/30/31 March Reach: Circ 86 624/Readership 551 000
- Mango Juice Date: 01 -31 March 2017 Reach: Circulation- 20 000 Regions: National
- Online Sowetan Live Banners/eNewsletter Date: 27-31 March Reach: Unique browsers 1 752 838 CTR (click through rate) of 0.24%

1.3.2 Radio

- 702 – Promos/Reach 547 000
- Powerfm - Live reads in last 2 weeks of March/Reach 99 000
- Radio 2000 - Live reads 1 week prior/Reach 477 000
- Kayafm - Live reads last 2 weeks March/Reach 841 000

1.3.3. Television

Multichoice Channels: Travel, Trace TV, TLC, Sony, Nat Geographic, life, Food Network, E Entertainment, Discovery Entertainment, Discovery ID, BBC First: BBC Earth, Animal Channel

Reach: 3 374 848

1.3.4. Street Poles

Region	Units	Street Name	Estimated average daily road count
Johannesburg Metro	3	Katherine Street	15 050
Johannesburg Metro	3	Marlboro Drive	11 557
Johannesburg Metro	3	Sandton Drive	16 889
Johannesburg Metro	3	William Nicol Drive	51 044
Johannesburg Metro	3	5th Street	10 080
Johannesburg Metro	3	6th Road	12 000
Johannesburg Metro	3	Linden Street	11 050
Johannesburg Metro	3	Main Road	28 814
Johannesburg Metro	3	Oxford Road	16 080
Johannesburg Metro	3	Republic Road	24 080
Johannesburg Metro	3	Jan Smuts Avenue	26 050



Corporate Governance

Legislative and Governance Framework

In addition to the provisions of the Companies Act 71 of 2008, Proudly South African is regulated in terms of its Memorandum of Incorporation and the provisions of the Shareholder Compact, the Public Finance Management Act, 1999 (Act No. 1 of 1999) ("PFMA") and the National Treasury Regulations, King Code on Governance Principles (King III Report) and all other applicable laws of the Republic of South Africa.

Governance

King III sets out guidelines for the practice of good corporate governance for South African companies, embraced by the accompanying Code of Corporate Practices and Conduct ("King Code.") The King Code, inter alia, represents best practice in terms of governance framework within Proudly SA.

The directors of Proudly SA regard corporate governance as key and fundamental to the attainment of the strategic objectives of the organisation. Proudly SA is an NPO which is funded through the National Revenue Fund, via the Department of Trade and Industry.

Section 4(3) (b) of the Public Audit Act No. 25 of 2004, stipulates that: "The Auditor General may audit and report on the accounts, financial statements and financial management of... any other institution funded from the National Revenue Fund."

Notwithstanding the fact that Proudly SA is not a PFMA listed entity, the Board sought external legal advice regarding the applicability of the Public Finance Management Act ("PFMA") to Proudly SA.

The recommendation obtained through the legal opinion was that in as much as Proudly SA is not a PFMA listed entity, it would make for good corporate governance for Proudly SA to subscribe and comply with the spirit, purpose and object of the PFMA as it enlists transparency, sound management and accountability. It was therefore decided that Proudly SA would migrate towards complying with the requirements set out in the PFMA, which are applicable to public entities.

Board's mandate and corporate goals

The Board of Proudly SA is responsible for ensuring that the mandate of the Campaign is achieved. In this regard, the Board has adopted a number of programmes including the creation of a financially sound Campaign built on a sustainable business model and ensures that its assets are used in an effective and efficient way in line with the requirements of key legislation to which Proudly South African is subject.

This includes the establishment of a procurement framework that complies with the Constitution of the Republic 1996 (Act No. 108 of 1996), the PFMA, Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and promotes ownership and the participation of youth, women and persons with disabilities and all classes of historically disadvantaged individuals.

The role of the Board

The Board exercises leadership, integrity and judgment in directing the Campaign so as to achieve the goals of the Campaign and the objectives as set out in the founding documents of the Campaign. In this regard, the Board determines Proudly South African's purpose and values and sets the strategic direction of the Campaign, having regard to the objectives prescribed in the legislative and governance framework within which Proudly South African exists. Furthermore, at least once in each financial year, the Board oversees the development of, and approves, a budget to facilitate delivery of the approved strategy.

The Board also monitors Management's implementation of the business and operational plans and agreed financial objectives on an ongoing basis during each financial year. The Board also defines levels of materiality and relevance appropriate to the business of the Campaign, delegates appropriate authority for the running of the day-to-day business of the Campaign to Management in a written Schedule of Delegated Authorities which will be reviewed from time to time, and continually monitors the exercise of such delegated authority by Management.

In order to facilitate its work, the Board has established the following Board Committees:

- Audit and Risk Committee;
- Remunerations Committee;
- Finance and Procurement Committee;
- Social and Ethics Committee; and
- Marketing, Communications and Membership Committee.

General principles of the Terms of Reference for Board Committees

As a general rule:

1. Board Committees have no executive authority unless otherwise specifically resolved by the Board in respect of particular issues within a Committee's remit. Board Committees must discuss any matter referred to them and must present their recommendations to the Board for resolution;
2. Board Committees observe the same rules of conduct and procedures as the Board, unless the Board specifically determines otherwise in the Committee's terms of reference;
3. No non-executive director of the Board may serve on more than two (2) Board Committees. Board Committees will consist of a maximum of four (4) non-executive Board members, excluding invitees;
4. Board Committees are constituted having regard to the skills, expertise and experience of members apropos the respective Committees' mandates. Where appropriate or necessary, independent external professionals with relevant skills and expertise may be co-opted as permanent members of the Committees to assist or bolster the Committees where there is a shortage of such skills or expertise. Such co-opted professionals must have the status of invitees to the Committee, will not form part of the quorum for meetings and will have no voting rights.
5. Board Committees are entitled to seek independent professional guidance and advice at the cost of the Campaign where the Committee deems it appropriate for the proper discharge of its mandate;
6. A formal report back, either orally or in writing, is provided by the Chairman of each Committee to all Board meetings following the Committee meetings to keep the Board informed and to enable the Board to monitor the Committee's effectiveness;
7. A member of a Board Committee ceases to hold office as such immediately when he becomes ineligible or disqualified in terms of the Companies Act; and
8. Committees of the Board may consult with or receive advice from any person.

Relationship with the dti

Proudly SA is funded by National Treasury via the **dti** and accordingly the Board regards its relationship with the **dti** as very key and strategic towards the attainment of the objectives of the Campaign. A three-year MOU has been entered into with the **dti** in this regard.

The Vision of the dti is to create:

A dynamic industrial, globally competitive South African economy, characterised by inclusive growth and development, decent employment and equity, built on the full potential of all citizens.

The Mission of the dti is to:

1. Promote structural transformation towards a dynamic industrial and globally competitive economy which includes an emphasis on tradable, labour absorbing and diversified manufacturing growth characterised by the movement into non-traditional and tradable goods and services that compete in export markets and against imports;
2. Provide a predictable, competitive, equitable and socially responsible environment for investment, trade and enterprise development;
3. Broaden participation in the economy to strengthen economic development; and
4. Continually improve the skills and capabilities of the **dti** to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens.

the dti's key strategic objectives are to:

1. Facilitate transformation of the economy to promote industrial development, diversified manufacturing growth, investment, competitiveness and employment creation;
2. Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives and to include regional African industrial integration and economic development;
3. Facilitate broad-based economic participation inclusive of BBB-EE and support for women's empowerment and empowerment of disabled citizens through targeted interventions to achieve more inclusive growth;
4. Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner; and
5. Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery.

dti MOU compact key deliverables

The Policy Objectives contained in the Annual Performance Plan (APP) for Proudly South African for the financial year 2016/17 - 2018/19 are as follows:

1. To promote the buying of locally manufactured products and services and importance of country of origin labels.
2. To roll out national campaigns to the public sector, the private sector, workers and consumers to create awareness on economy-wide benefits of local procurement, strategic sourcing and buying locally manufactured products;
3. To develop a database listing locally produced products and services; and
4. To provide support with regard to the roll out of the Local Procurement Accord in line with Proudly South African's mandate of local procurement, national pride and patriotism.

The roles and responsibilities of the dti

the dti's primary role and responsibilities as contained in the MOU for the period 2016/17 - 2018/19 will be to:

- Monitor the voluntary and/or compulsory adherence by Proudly South African to the PFMA, Treasury Regulations, Corporate Governance Principles and the Act irrespective of whether or not such instruments are otherwise applicable to Proudly South African.
- monitor compliance of the APP to corporate governance principles and ensure that same is submitted within the date presented by the Minister and subsequently prior to the beginning of the financial year;
- review management accounts on a monthly basis;
- review quarterly reports and provide feedback to Proudly South African;
- ensure timely board appointments and/or re-appointment;
- timely attend to correspondence to and from Proudly South African;
- provide inputs into the budgeting process;
- recommend to the Minister the approval of the budget and APP;
- review and recommend the Proudly South African's annual report to the Minister;
- annually review the Board and Chairperson's performance against agreed key performance indicators;
- Ensure vetting of the Chairperson and Board members as appointed by the NEDLAC Constituencies and approved by the Minister.
- Subject to prior reasonable notice, obtain walk-in rights (such as instituting forensic investigations and obtaining relevant information that may be important) to intervene as and when required or necessary;
- step-in in case of crisis (crises in this regard will mean but not limited to, strikes, mismanagement of funds, internal conflicts etc.);
- Ensure that it keeps an eye on the Audit Committee through the participation of the GCFO in the Audit Committee as an ex-officio member.

Proudly South African undertakes for the duration of this agreement to:

1. Maintain effective governance and the highest standards of ethics and continue to subscribe to the broad principles set out in the PFMA, the Act, and the latest applicable King Report;
2. Subscribe to the principles of good governance and reassess its systems of governance on an ongoing basis;
3. Ensure that it maintains appropriate participative structures with representatives of its staff, to ensure that its staff has an opportunity to meaningfully contribute to decision-making with respect to its administrative and managerial functions. The process shall include, but not be limited to, mechanisms for consultation and information sharing;
4. Ensure that it has a code of ethics and code of conduct in place;
5. Establish an Audit and Risk Management Committee to advise on the safeguarding of assets, the operation of adequate systems, control processes and the preparation of accurate financial reporting and statements, in compliance with all legal requirements and accounting standards; and
6. Ensure that in determining the composition and functions of the Committees, Proudly South African will follow the guidelines of the King III Report on Corporate Governance as well as the prescripts of the PFMA and the Act.
7. Ensure that it implements an effective staff performance management system, and that any performance bonuses must be approved by the Board. In the regard, the parties record that all bonuses shall be in line with a budget which shall be approved by the **dti** prior to the commencement of the financial year

Proudly South African Board and Board Committees' report

For the year ended 31 March 2017

Board of Proudly South African

The Board of Proudly South African consists of Executive and Non-Executive Directors who represent the interests of all the constituencies of NEDLAC. The majority of the representatives on the Board are Non-Executive with the CEO and CFO as the only Executive Directors.

Audit and Risk Committee

The Committee assists the Board through critically evaluating the Board's financial control measures, accounting practices, information systems and audit procedures. It performs this function continuously by way of close liaison with the Executive Management and with the Board's internal and external auditors. The Audit and Risk Committee consists of four non-executive Board members plus the Chief Executive Officer and Chief Financial Officer. The Committee may involve other members of Management or external specialists in meetings for specific purposes. The authority and mandate of the Audit and Risk Committee, its duties and functions, its composition and its operations have been approved by the Board in the form of a detailed charter and Terms of Reference.

Risk Management

Effective risk management is integral to the organisation's objective of consistently adding value to the business. Management is continuously developing and enhancing its risk and control procedures to improve the mechanisms for identifying and monitoring risks. Operating risk is the potential for loss to occur through a breakdown in control information, business processes and compliance systems. Key policies and procedures that have been developed to mitigate and manage operating risk involve segregation of duties, transaction authorisation, supervision and monitoring of financial and management reporting.

Internal Control Systems

In order to meet its responsibility of providing reliable financial information, Proudly South African maintains financial and operational systems for internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's delegated authority, that the assets are adequately protected against material loss of unauthorised acquisition, use or disposition and that transactions are properly authorised and recorded. A three year rolling internal audit plan has been completed by our Internal Auditors to ensure that risks identified in their risk assessment are adequately covered in their audit plan.

The system includes a documented organisational structure, division of responsibility and established policies and procedures. These include the careful selection, training and development of people as well as a code of ethics - which is communicated throughout the organisation - to foster a strong ethical climate.

Proudly South African has appointed the auditors, SEMA Integrated Risk Solutions, to provide internal audit services. Internal auditors monitor the operation of the internal control system and report findings and recommendations to Management and the Audit Committee. Corrective actions are taken to address control deficiencies and other opportunities for improving the systems, as they are identified. The Board, operating through the Audit Committee, provides oversight of the financial reporting process and internal control systems. The Audit and Risk Committee Members are:

- Mr. Dumisani Mthlane (Chairperson)
- Mr. Joseph Maqekeni
- Dr. Tebogo Makube
- Mr. Michael Lawrence
- Mr. Eustace Mashimbye - CEO
- Internal Audit Representatives – SEMA Integrated Risk Solutions
- External Auditors – NEXIA SAB&T
- Company Secretary - Permanent Invitee
- Auditor General - Permanent Invitee
- Chief Financial Officer

The Audit and Risk Committee has adopted appropriate formal terms of reference, which have been confirmed by the Board and has performed its responsibilities as set out in the terms of reference. In performing its responsibilities the Audit and Risk Committee has reviewed the following:

1. The effectiveness of internal control systems;
2. The effectiveness of the internal audit function;
3. The risk areas of the organisation's operations to be covered by the scope of internal and external audits;
4. The adequacy, reliability and accuracy of financial information provided to management and other users of such information;
5. The accounting or auditing concerns identified as a result of the internal and external audits;
6. The organisation's compliance with legal and regulatory provisions;
7. The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations;
8. The independence and objectivity of the external auditors; and
9. The scope and results of the external audit function and its cost-effectiveness.

The Audit and Risk Committee is also responsible for:

1. Reporting to the Board and the Auditor General where a report implicates any members of the Board in fraud, corruption and/or gross negligence;
2. Communicating any concerns it deems necessary to the Board, the Auditor-General and if appropriate the external auditors;
3. Confirming the internal audit charter;
4. Conducting investigations within its terms of reference;
5. Concurring with the appointment and dismissal of internal audit;
6. Deciding whether or not an interim audit report should be subjected for review by the external auditors; and
7. Detailed study of the financial statements.

The Audit and Risk Committee is satisfied that internal controls and systems have been put in place and that these controls have functioned effectively during the period under review.

The Audit and Risk Committee considers the organisation's internal controls and systems appropriate in all material respects to:

1. Reduce the organisation's risks to an acceptable level;
2. Meet the business objectives of the organisation;
3. Ensure the organisation's assets are adequately safeguarded; and
4. Ensure that the transactions undertaken are recorded in the organisation's records.

The Audit and Risk Committee agrees that the adoption of the going concern status of Proudly South African is appropriate in preparing the annual financial statements.

The Audit and Risk Committee has accordingly recommended the adoption of the annual financial statements by the Board.

Finance and Procurement Committee

The Finance and Procurement Committee provides strategic direction to the organisation by ensuring proper adherence to fiscal discipline and compliance with legislation on procurement related matters. The role of the Proudly SA Finance and Procurement Standing Committee is to:

Finance Function

1. Recommend approval of budgets to the Board;
2. Ensure preparation of Annual Financial Statements;
3. Recommend the approval of Treasury management plans to the Board;
4. Have overview over internal controls and approve related policies and procedures and systems;
5. Review quarterly financial reports; and
6. Play an oversight role and monitor the utilisation of funds in line with the Business Plan.

Procurement Function

1. Ensure that Proudly SA's procurement policies are effective, efficient and that they are implemented and sustained;
2. Recommend and approve procurement and sourcing strategies;
3. Recommend the composition of Procurement Committees to the Board;
4. Recommend to the Board any deviation or ratification that might be required from time to time in line with good governance;
5. Recommend the appointment of any procurement structure as it deems necessary to the Board to perform a particular task; and
6. Monitor the procurement spend with the set targets within the BEE Codes.

The members of the Committee are:

- Adv. Priakumari Hassan - Chairperson
- Mr. Ashley Benjamin
- Mr. Thulani Tshefuta
- Mr. Stavros Nicolaou
- Mrs. Laura Kganyago
- Mr. Eustace Mashimbye – CEO
- Mr. Madoda Vilakazi
- Company Secretary - Permanent Invitee
- Chief Financial Officer

Marketing, Communications And Membership Committee

The primary function of this Committee is to provide strategic direction and focus on matters involving Marketing programmes of the organisation and the communications plan plus build a viable value proposition for the members of the Campaign.

Primary function of the Committee is to:

1. Consider the Marketing and Communications strategies to be developed for the Campaign for recommendation to the Board;
2. Recommend the appointment of any advertising or related agency enlisted to provide advertising and marketing related services to the Campaign;
3. Monitor and ensure that the marketing activities, as approved for implementation, are implemented accordingly; and
4. Ensure effective campaigns are carried out to ensure that the Campaign can meet its objectives.

The members of the Committee are as follows:

- Mr. Stavros Nicolaou - Chairperson
- Mr. Eustace Mashimbye – CEO
- Mr. Dumisani Mthlane
- Mr. Joseph Maqekeni
- Mrs. Happy Ngidi - Permanent Invitee
- Company Secretary - Permanent Invitee
- Dr. Tebogo Makube
- Chief Financial Officer
- Executive Manager: Membership, Legal and Compliance- Permanent Invitee

HR and Remunerations Committee

The Committee provides strategic advice to the Board and Management on matters relating to Human Resources and Remuneration. The Committee formulates and reviews Human Resource and Remuneration policies as and when appropriate.

Function of the Committee is to:

1. Review and provide recommended remuneration levels (including annual salary increases) for Chief Officers and Non-Executive Directors within Proudly SA;
2. Review and approve remuneration policy and salary bands for the organisation and approve annual salary increases or annual inflationary adjustments;
3. Play an integral part in the contingency planning of staff, the CEO and Executive Management;
4. Ensure that Proudly SA's Human Resources strategies are implemented and sustained;
5. Recommend the approval of related policies and procedures to the Board;
6. Review and recommend the appointment of the Chief Executive Officer; and
7. Make recommendations to the Board for the performance bonus of the CEO and approve performance bonuses for Chief Officers and staff.

The members of the Committee are as follows:

- Mrs. Laura Kganyago - Chairperson
- Mr. Eustace Mashimbye – CEO
- Mr. Thulani Tshefuta
- Mr. Ashley Benjamin
- Adv. Priakumari Hassan
- Mr. Virgil Seafeld
- Company Secretary - Permanent Invitee
- Chief Financial Officer

Performance Information

Performance for the period (1 April 2016 to 31 March 2017)

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing "Buy Local" purchase behavior to increase awareness of Proudly SA, influence purchase behaviour in favour of local products and raise the profile of local products	* Above-the-line campaign, i.e. Top of mind awareness through various platforms incl. TV, radio, print, outdoor, online and social media campaigns – number of people reached; *National consumer educational road show through mall activations (Education Through Edutainment)	Above-the-line – Buy Local (Buy Back SA) activism campaign reaching at least 20 million consumers	*At least 22,2 million consumers reached through the Buy Back SA campaign and the Festive Season / Back To School Buy Local campaigns which collectively entailed advertising on: - 30 billboards in taxi ranks and around shopping malls, all over the country; - 20 major shopping centres; - 20 township malls throughout the country; and - print advertising in various publications	
Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing "Buy Local" purchase behavior to increase awareness of Proudly SA, influence purchase behaviour in favour of local products and raise the profile of local products	*PR and below-the-line activities through social media, press releases and other PR related activities; *Ubuntu Campaign in secondary schools and FET colleges *University activation campaigns campus radio adverts / live reads, industrial theatre and edutainment	*PR & below-the-line activities reaching at least 20 million consumers *Roadshows in at least 6 provinces annually *Roll out of Ubuntu campaign in at least 12 schools and/or FET colleges per annum	*In excess of 20 million consumers reached through PR campaigns for Festive Season Campaign, Buy Local Summit and Expo, Social media activities, radio interviews and the Buy Back SA Radio and TV campaigns on various platforms (based on RAMS/ TAMS/ circulation) *9 mall activations undertaken during the year (including the Festive Season mall invasions) *No schools visited. Strategy changed in favour of a more impactful and higher reach programme *Reach 2 x Universities per annum. Campus radio throughout the year	*Advertising also done in 15 malls for the Festive Season to broaden the reach *Participated in the Step U to Start Up activation which helped us reach students from approximately 100 schools

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
Promoting Proudly SA logo as a Country of Origin label to improve fair and legal trade	*Proudly SA events/ exhibitions villages at trade expos * Proudly SA CSI projects Above-the-line campaigns promoting the Proudly SA logo as the Country of Origin label. These include radio and TV adverts, TV blurbs, print banners, street posters, social media campaigns and the Proudly SA website. The indicator is the number of people reached through these campaigns.	*2 x activations done at University of Johannesburg & Wits Business School, plus content on Wits Radio *Participation in at least 8 trade expos, events, etc. per annum *At least 2 CSI projects per annum	*Participated in 22 events and expos (as detailed in Activities Section of this Annual Report) *2 x CSI projects done during the year (Gauteng Legislature and Helen Joseph Hospital linked projects) *At least 22,2 million consumers reached through the Buy Back SA campaign and the Festive Season / Back To School Buy Local campaigns which collectively entailed advertising on: - 30 billboards in taxi ranks and around shopping malls, all over the country; - 20 major shopping centres; - 20 township malls throughout the country; and - print advertising in various publications	
Increase procurement of local products and services in the public sector through increased engagements with the public sector.	Educational roadshows Increase buy-in and support for local procurement by the public sector (all state organs) through: *Presentation to SOEPF (State Owned Enterprises Procurement Forum) per annum	*At least 1 presentation to SOEPF per annum	*No presentation done to SOEPF meetings during the year	*Partnership meetings held with SOEPF Chairman and Proudly SA accepted as a permanent member of SOEPF effective from 1 April 2017

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
	<p>*Partnership with National Treasury to drive Buy Local Message to procurement decision makers in all spheres of government and to monitor compliance with procurement regulations within the public sector:</p> <p>*National, provincial and local departments visits – engagement with procurement officers</p> <p>*Presentation at SALGA</p> <p>*1-2 x day Buy Local Summit – focusing on all state organs and business procurement</p> <p>*1-2 x Day Buy Local Expo – of all SA companies focusing on the priority Sectors - Gallagher Estate – “Made in SA” Expo</p> <p>National Educational road shows: Increased buy-in and support for local procurement by the private sector. Partnership agreements/pledges with</p>	<p>*Conducting of performance audits by AG’s office to monitor compliance with local content preferential designations by organs of the state To reach the following during the 2016/17 financial year:</p> <p>*8 national departments p/a</p> <p>*2 provincial governments p/a</p> <p>*2 metros per annum</p> <p>*20 district municipalities p/a;</p> <p>*1 presentation to SALGA</p> <p>*At least 1 summit to be held per annum</p> <p>*At least 1 Buy Local Expo held per annum</p>	<p>*The AGSA has started performing audits related to local content provisions in the PPPFA and first report on this given by AGSA at the Buy Local Summit</p> <p>*8 national departments reached – DTI, EDD, SBD, DEA, NT, DAFF, Planning & Monitoring and GCIS</p> <p>*9 provincial ED govt. depts. reached through the provincial business forums in all 9 provinces</p> <p>*2 metros reached – Ekurhuleni & Joburg</p> <p>*No district municipalities engaged directly. Reliance placed on SALGA MOU as in previous years</p> <p>*3 x Partnership meetings held with SALGA and agreement (MOU) renewed</p> <p>*1 x Buy Local Summit postponed from 22 March to 3 April 2017</p> <p>*1 x Buy Local Expo postponed from 22 March to 3 April 2017</p>	<p>*Strategic partnership renewed with SALGA and identified for 2017/18 financial year</p> <p>*Buy Local Summit and Expo postponed, due to unavailability of political principals, to the closest available date to year end, to make sure that it still covers the 2016/17 edition of the event</p>
Increase procurement of local products and services in the private sector through				

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
engagements with Business (incl. BUSA, BBC and BLSA)	<p>BLSA, BBC and BUSA to commit to buying locally produced products through:</p> <p>* Presentations to BUSA, BBC and BLSA members;</p> <p>* Briefing sessions/ one-on-one visits to/with retailers</p> <p>*1-2 x Day Buy Local Summit – focusing on all state organs and business procurement</p> <p>1-2 x day Buy Local Expo – of all SA companies focusing on the priority Sectors - SCC – “Made in SA” Expo</p> <p>*Sector Specific Workshops/Business Forums</p> <p>*Proudly SA Events/ Exhibitions/ Expos/ Villages at trade expos</p> <p>*SA Premier Business Awards (in partnership with the dti and Brand SA)</p> <p>Existence of a reliable monitoring and evaluation system – to measure uptake of local products and services and procurement by the public sector, private sector and consumers;</p>	<p>*1 presentation to BUSA, BBC and BLSA per annum;</p> <p>*Briefing sessions with at least 2 major retailers per annum;</p> <p>*At least 1 x Buy Local Summit to be held per annum;</p> <p>*At least 1 Buy Local Expo held per annum;</p> <p>*8 x sector specific workshops/business forums per annum</p> <p>* Participation in at least 8 trade expos, events, etc. per annum</p> <p>* Hosting 1X annual SA Premier Business Awards event</p>	<p>*A strategic partnership meeting held with BBC and another one held with the NBI (for the CEO Forum)</p> <p>*Briefing sessions held with 4 major retailers in the clothing sector – Edcon (membership concluded), TFG, Mr. Price and Woolworths</p> <p>*1 x Buy Local Summit postponed from 22 March to 3 April 2017</p> <p>*1 x Buy Local Expo postponed from 22 March to 3 April 2017</p> <p>*12 forums held (9 x Provincial Business forums and 3 x Sector Specific forums)</p> <p>*Participated in 32 events and expos (as detailed in Section 6.2 of this Annual Report)</p> <p>*SA Premier Business Awards held on 6 December 2016</p>	<p>*Buy Local Summit and Expo postponed, due to unavailability of political principals, to the closest available date to year end, to ensure that it still covers the 2016/17 edition</p>
Brand Management Brand research - Development of a reliable monitoring and evaluation system				

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
	Bi-annual research, qualitative and quantitative research results as well as event or campaign dipstick surveys outcomes;	*Economic Impact Study on the impact of buying local on brand awareness and uptake of Proudly SA member products and services conducted – at least once per annum *At least 8 x Dipstick surveys per annum conducted at Proudly SA events and exhibitions/ consumer outreach campaigns and via the website	*An Economic Impact Study on the impact of Buy Local conducted and concluded *12 dipstick surveys done using the Questback Research Software at Business forums and some of the major events	
Brand Compliance and IP. Effective management of Proudly SA intellectual property	Percentage of successfully executed letters of demand and court actions against identified transgressors	*Weekly monitoring of the Proudly SA logo to identify irregular use and counterfeit goods *Action/letters of demand to irregular users of the Proudly SA logo *Regular compliance reviews of all members *Weekly monitoring with Adams & Adams of companies that are using the Phrase and logo illegally	*Weekly monitoring done *All identified irregular users were sent letters *All members checked as part of the new and renewals membership process *Monitoring done by the internal compliance team as well as Adams and Adams on a weekly basis	
Strengthening Media relations, PR and social media	*Daily, weekly monthly monitoring and analysis of media coverage on the campaign and analysis thereof * Number of published press releases prepared per month (Regular communication in print media aimed at members, media, government departments, consumers and other stakeholders)	* Media Monitoring Regular monitoring of media reports coverage on Proudly SA, its members and other key stakeholders * Press releases At least 24 press releases per annum	*Daily monitoring of media reports done on relevant coverage (100% - all coverage picked up, assessed and reported on) *44 press releases issued during the year on various subjects	

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
	*Number of interactions with the media per annum to increase the publicity and raise the profile of Proudly SA. This is part of the media relations strategy where the campaign can discuss with the media tactical issues, e.g. job losses in specific sectors as well as strengthen relations with the media through media breakfasts/lunches & media meetings hosted by the CEO, Chairperson, board or the PR Manager Daily communication on Twitter and Facebook *Increase following on social media platforms and increase in publicity (Increased activities and competitions during Campaigns)	*At least 16x individual media meetings per annum * At least 2 x Media breakfast/ lunch per annum * Social Media activities daily *Social media competitions at least once a month (12 per annum); *Valentine's Day activation 1x per year on Valentine's day	*81 media meetings/engagements held during the year with editors and/or journalists as well as media representatives (some through media events) *2 x media events held for launches of the Buy Local Summit & Expo and for the Festive Season campaign launch *Daily updates done on Twitter and Facebook resulting in an increase in the number of followers on both platforms. The Proudly SA Twitter account now has 123 000 followers and Facebook more than 12 200 followers. *No weekly competitions during the year *Valentine's activation took place on 14 February 2017	*Competitions not ran throughout the year on the newsletter, website Facebook and Twitter due to budget constraints
Retention and Recruitment Members	Number of members recruited and retained	*Recruit at least 144 new members for the year *Retain at least 50% of all members due for renewal for the year	*157 new members successfully recruited and approved for the year *84% of all members due for renewal (mostly low value members), renewed their membership during the year	*The campaign still struggles to retain and attract high value members due to a weaker value proposition but attracts SMMEs
Financial Management: Proper processing of all financial transactions on SAP and maintenance of	Percentage of processing of all financial transactions done accurately and correctly at all times	100% accurate and correct processing of all financial transactions - unqualified opinion and clean audit reports for 2016/17	*100% accurate and correct processing of all financial transactions during the year	

Output	Performance Measure or Indicator	Annual Target	Actual Achievement 2016/17 Financial year	Reason for Variance
records and supporting documents for audit purposes in compliance with relevant standards		financial year end audit – Annual Financial Statements		
Human Resources Management: Organisational structure is always aligned to organisational strategy	Extent (Percentage) of alignment of the functional organogram with the approved strategy *Percentage of critical positions filled	*Organogram with positions informed by the organisational strategy and aligned completely *All (100%) critical positions filled at all times	*100% alignment of organogram to the strategy during the year *All (100%) critical positions filled during the year and recruitment done for the 2 vacant senior positions by financial year end	



Building local labels and a sustainable supply ecosystem

Edcon is South Africa's largest clothing and footwear retailer

Edcon is South Africa's largest non-food retailer, with a market share of the South African clothing and footwear (C&F) market nearly twice that of its nearest competitor. The Group has three divisions, Edgars, Jet and Speciality, which includes, Boardman's, Red Square, C NA, Edgars Active, and Cellular.

Edcon offers a wide range of local and international brands, with a renewed focus on Private Label products, manufactured locally to meet our customer needs.



Edcon pioneers world-class local manufacturing and local brands



Celrose is a world-class clothing manufacturer, that has successfully pioneered new production methodology enabling manufacture through-put times of less than a week. The plant is efficient in manufacturing at a competitive cost, countering Chinese imports and offers reduced risk through quick-response logistics and replenishment. Celrose employs 1327 employees. Eddels is part of Celrose and is a leading footwear manufacturer, also with world class manufacturing standards.

Both Celrose and Eddels manufacture Edcon's Private in-house brands such as Stone Harbour, Signature E, D66, J Exchange, Dow Jones and Keiso.





Proudly South African
(Registration number 2001/021636/08)
Annual Financial statements
for the year ended 31 March 2017

The Company Annual Financial Statements were audited in terms of the Companies Act 71 of 2008

The preparation of the Company Annual Financial Statements was done by the Chief Financial Officer, N. Patel (B. Com Hons, MBL)

These Annual Financial Statements were authorised by the Board of Directors on 25 August 2017

Audited Annual Financial Statements

General Information

Company registration number	2001/021636/08
Country of incorporation and domicile	South Africa
Nature of business and principal activities	Buy Local campaign
Directors	H. Gabriels (Chairperson) E. Mashimbye (CEO) M. Lawrence L. Kganyago S. Nicolaou Adv. P. Hassan Dr. T. Makube A. Benjamin D. Mthalane T. Tshefuta S. Phetoe J. Maqekeni M. Vilakazi V. Seafeld
Registered office	23 Sturdee Avenue Rosebank 2196
Business address	23 Sturdee Avenue Rosebank 2196
Postal address	P O Box 1062 Saxonwold 2132
Bankers	Nedbank Rand Merchant Bank
Auditors	Nexia SAB&T Registered Auditors

Index

The reports and statements set out below comprise the Annual Financial Statements presented to the board of directors:

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Independent Auditors' Report	131-133
Directors' Report	134-135
Statement of Financial Position	136
Statement of Financial performance	137
Statement of Changes in Equity	138
Statement of Cash Flows	139
Accounting Policies	140-144
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The following supplementary information does not form part of the Annual Financial Statements and is unaudited:	
Detailed Income Statement	156-157

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the Annual Financial Statements and related financial information included in this report. It is the responsibility of the directors to ensure that the Annual Financial Statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

The Annual Financial Statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

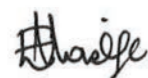
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of Risk Management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by Management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Annual Financial Statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

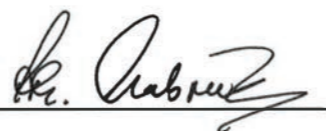
The directors have reviewed the company's cash flow forecast as well as the Medium Term Expenditure Framework (MTEF) allocation for the 3-year period commencing on 1 April 2017 and ending 31 March 2019 as contained in the 2017/18 Estimates of National Expenditure (ENE). In light of this review and the current financial position, the directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's Annual Financial Statements.

The Annual Financial Statements have been examined by the company's external auditors and their report is presented on page 131 to 133. The Annual Financial Statements set out on pages 136 to 155, which have been prepared on the going concern basis, were approved by the board of directors and signed on its behalf, by:



Mr. Eustace Mashimbye
(Chief Executive Officer)



Mr. Howard Gabriels
(Chairman)

Independent Auditors' Report



Independent Auditors Report

To the Board of Proudly South African

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the financial statements of Proudly South African, set out on pages 9 to 21, which comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Proudly South African as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized entities and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Certification by the Company Secretary, as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the audit of the annual performance report

The entity is not required to prepare a report on its performance against predetermined objectives as it does not fall within the ambit of the PFMA and such reporting is also not required in terms of the entity's specific legislation.

Compliance with legislation

We performed procedures to obtain evidence that entity had complied with legislation regarding financial matters, financial management and other related matters. We did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

We considered internal control relevant to our audit of the annual financial statements and compliance with legislation. We did not identify any significant deficiencies in internal control.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of Proudly South African for 4 years.

Nexia SAB&T
Registered Auditors
Per: C. Chigora
Director
Date: 31 July 2017

Directors' Report

The directors submit their report for the year ended 31 March 2017.

1. Review of activities

Main business and operations

Proudly South African is a campaign formed by the NEDLAC social partners namely, Government, organised business, organised labour and the community constituency to help sustain existing jobs and create new jobs through promoting South African companies as well as the procuring of their local products and services.

There are four qualifying criteria for organisations who want to use the Proudly South African logo to identify their companies or their products, namely:

- *Local content* – at least 50% of the cost of production must be incurred in South Africa and there must be “substantial transformation” of any imported materials.
- *Quality* – the product or service must be of a proven high quality.
- *Fair labour practice* – the company must practise fair labour standards and comply with labour legislation.
- *Environmental standards* – the company must practise sound environmental standards and the production process must be environmentally responsible.

The main focus as contained in the strategy of the Proudly SA campaign for the year under review was on the implementation of its deliverables as contained in the Local Procurement Accord, which was signed on 31 October 2011 by representatives of government, organised labour, business and community organisations, wherein the Social partners all committed to supporting local industries through procurement activities in favour of local companies, manufacturing, products and services.

The operating results and state of affairs of the company are fully set out in the attached Annual Financial Statements and do not in our opinion require any further comment.

Net deficit of the company for the 2017 financial year was R1 409 739 (2016:R 2 135 413 - net surplus).

2. Going concern

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Medium Term Expenditure Framework (MTEF) allocation from the Department of Trade and Industry confirm allocations of R31, 8m for the 2017/18 financial year, and increased allocations of R32, 6m and R33, 7m for the 2017/18 and 2018/19 financial years respectively. In addition to the current membership revenue model, sponsorships have been successfully revived and contribute to the funding base of the organisation.

3. Post balance sheet events

The directors are not aware of any matter or circumstance arising since the end of the financial year. Subsequent to the end of the financial year, funds have been received from the **dti**, as per their allocation letter and the deficit reflected in these statements has been subsequently reversed.

4. Directors

The directors of the company during the year and to the date of this report are as follows:

Name	Organisation	Changes
H. Gabriels (Chairperson)	Chairman	Appointed 27 July 2016
E. Mashimbye (CEO)	Proudly SA CEO	Appointed 27 July 2016
A. Benjamin	Labour	
T. Tshefuta	Community	
D. Mthalane	Community	
L. Kganyago	Community	
S. Phetoe	Labour	
Adv. P. Hassan	Business	
S. Nicolaou	Business	
Dr. T. Makube	Government	
M. Lawrence	Business	
J. Maqekeni	Labour	
M. Vilakazi	NEDLAC	Appointed 27 July 2017
V. Seafeld	Government	

5. Taxation

Proudly South African has been granted an exemption from income tax and donation tax by the South African Revenue Services in terms of section 10(1)(d)(iii) of the Income Tax Act and section 56(1)(h) of the Donation Tax Act.

6. Auditors

Nexia SAB&T was appointed for a 3-year period, which ends after conclusion of the 2018/19 financial year end audit.

7. Secretary

The company secretary is Mr. Mpho Thothela who was appointed by the board of directors.

Statement of Financial Position

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets	2	1 260 220	1 299 644
Property, Plant and Equipment	3	0	0
Intangible Assets		1 260 220	1 299 644
Current Assets			
Inventories	4	169 631	178 041
Trade and other receivables	5	5 658 194	4 827 693
Cash and cash equivalents	6	1 133 126	2 905 934
		6 960 951	7 911 668
Total Assets		8 221 171	9 211 312
Equity and Liabilities			
Equity			
Retained Income		3 919 433	5 329 172
Liabilities			
Current Liabilities			
Trade and other payables	8	3 072 395	2 737 645
Deferred Income	9	916 792	833 845
Provisions	7	312 551	310 650
		4 301 738	3 882 140
Total Equity and Liabilities		8 221 171	9 211 312

Statement of Financial Performance

Figures in Rand	Note(s)	2017	2016
Revenue	10	35 492 053	34 056 161
Cost of Sales	11	(5 059)	(6 139)
Gross Surplus		35 486 994	34 050 022
Operating expenses		37 075 694	(32 247 608)
Operating surplus	12	(1 588 700)	1 802 414
Investment income	13	266 250	333 954
Disposal of assets		9 350	11 012
Finance costs	14	(96 639)	(11 967)
Surplus/(deficit) for the year		(1 409 739)	2 135 413
Other Comprehensive income		0	0
Total Comprehensive surplus/(deficit)		(1 409 739)	2 135 413

Statement of Changes in Equity

Figures in Rand	Accumulated Surplus	Total Equity
Balance at 01 April 2014	(536 877)	(536 877)
Changes in equity		
Total surplus for the year	3 817 171	3 817 171
Prior year adjustment in respect of depreciation	(86 535)	(86 535)
Total Changes	3 730 636	3 730 636
Balance at 01 April 2015	3 193 759	3 193 759
Changes in Equity		
Total Surplus for the year	2 188 969	2 188 969
Prior year adjustment in respect of depreciation	(53 556)	(53 556)
Total changes	2 135 413	2 135 413
Balance at 01 April 2016	5 329 172	5 329 172
Changes in Equity		
Total deficit for the year	(1 409 739)	(1 409 739)
Total changes	(1 409 739)	(1 409 739)
Balance at 31 March 2017	3 919 433	3 919 433

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash used (in) from operating activities	16	(1 505 461)	(2 018 196)
Interest income		266 250	333 954
Finance costs		(96 639)	(11 967)
Net cash (in) from operating activities		(1 335 850)	(1 696 209)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(446 309)	(599 597)
Disposal of assets		9 350	15 670
Net cash (in) from investing activities		(436 959)	(583 927)
Total cash movement for the year		(1 772 809)	(2 280 136)
Cash at the beginning of the year		2 905 934	5 186 070
Total Comprehensive surplus/(deficit)		1 133 125	2 905 934

Accounting Policies

1. Presentation of Annual Financial Statements

The Annual Financial Statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The Annual Financial Statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1. Significant judgements and sources of estimation uncertainty

In preparing the Annual Financial Statements, Management is required to make judgements, estimates and assumptions that affect the amounts represented in the Annual Financial Statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that Management has made in the process of applying the company accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- **Impairment testing**

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, Management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, Management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, together with economic factors.

- **Provisions**

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 7 - Provisions.

1.2. Property, Plant and Equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Costs includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognized.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item	Average useful life
Leasehold improvements	5 years
Furniture and fixtures	7 years
Office equipment	5 years
IT equipment	5 years
Sundry equipment	7 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate. The residual values of Property, Plant & Equipment vary between 3% and 10% depending on the asset class.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in surplus or deficit in the period.

Property, Plant & Equipment are derecognized on disposal or when no future economic benefits are expected.

1.3. Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed annually.

Intangible assets are derecognized on disposal or when no future economic benefits are expected.

Item	Average useful life
Computer Software	3 years

1.4. Financial instruments

Financial instruments at amortised cost

Financial instruments are initially measured at amortised cost.

Debt instruments, as defined in the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognized.

1.5. Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

1.6. Inventories

Inventories are measured at the lower of cost and selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

Inventories are derecognized on disposal or when no future economic benefits are expected.

1.7. Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.8. Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.9. Provisions and contingencies

Provisions are initially measured at the present value of the best estimate of the amount required to settle the obligation.

Provisions are recognised when:

- the company has an obligation at the reporting date as a result of a past event;
- it is probable that the company will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Contingent assets and contingent liabilities are not recognised.

1.10. Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability. Grants are measured at the fair value of the asset received or receivable.

1.11. Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue for membership is recognised when the payment is received from the paying member, as at that point all the conditions for membership will have been satisfied and complied with by the paying member. Revenue for sponsorship is recognised when the sponsorship contract is concluded with the contracting sponsor, after the goods and services to be exchanged for sponsorship have been determined and the value of the sponsorship has been agreed to.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax. Interest is recognised, in profit or loss, using the effective interest rate method.

1.12. Trade exchanges.

Trade exchanges are valued at market value and recorded as income with the corresponding amount reflected as a receivable. The receivable is reduced as and when the exchanged service or goods are utilized.

1.13. Related Parties

The entity has processes and controls in place to aid in the identification of related parties. A related party is a person or an entity with the ability to control or jointly control the other party or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. Related party relationships where control exists are disclosed regardless of whether any transactions took place between the parties during the reporting period. Where transactions occurred between the entity any one or more related parties, and those transactions were not within:

- a) normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances; and
- b) terms and conditions within the normal operating parameters established by the reporting entity's legal mandate;

1.15. Deferred income

Deferred income relates to membership fees received when the companies join Proudly South African. The revenue will be recognised over the period of the membership. Any such revenue which overlaps to future financial years are deferred and recognised as deferred income.

Notes to the Annual Financial Statements

2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	885 230	(690 024)	195 206	874 004	(618 884)	255 120
Office equipment	93 632	(82 666)	10 966	114 178	(93 541)	20 637
IT equipment	1 383 595	(744 372)	639 223	1 264 617	(754 941)	509 676
Leasehold improvements	986 577	(688 322)	298 255	986 577	(500 873)	485 704
Sundry equipment	60 014	(11 648)	48 366	42 887	(14 378)	28 509
Motor vehicle	84 202	(15 998)	68 204	0	0	0
Total	3 493 250	(2 233 030)	1 260 220	3 282 263	(1 982 617)	1 299 646

The Company did not pledge any item of property, plant and equipment as security for borrowings during the year. (2016: Rnil)

Reconciliation of property, plant and equipment – 2017

	Opening balance	Disposal	Additions	Depreciation	Total
Furniture and fixtures	255 117		11 227	(71 138)	195 206
Office equipment	20 637		6 820	(16 491)	10 966
IT equipment	509 677		317 507	(187 961)	639 223
Leasehold improvements	485 704			(187 450)	298 254
Sundry equipment	28 508		26 553	(6 696)	48 365
Motor vehicle	0		84 202	(15 998)	68 204
Total	1 299 643	0	446 309	(485 734)	1 260 218

Reconciliation of property, plant and equipment – 2016

	Opening balance	Disposal	Additions	Depreciation	Total
Furniture and fixtures	314 252		11 750	(70 885)	255 117
Office equipment	36 736		1 636	(17 735)	20 637
IT equipment	150 481	(4 658)	561 603	(197 749)	509 677
Leasehold improvements	759 688			(273 984)	485 704
Sundry equipment	6 347		24 609	(2 448)	28 508
Motor vehicle	0				0
Total	1 267 504	(4 659)	599 598	(562 801)	1 299 643

3. Intangible assets

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer Software	336 616	(336 616)	0	336 616	(336 616)	0

None of the intangible assets have been pledged as security.

Reconciliation of intangible assets – 2017

	Opening balance	Disposal	Additions	Amortization	Total
Computer Software	0	0	0	0	0

Reconciliation of intangible assets – 2016

	Opening balance	Disposal	Additions	Amortization	Total
Computer Software	1 765	0	0	(1 765)	0

Figures in Rand

	2017	2016
4. Inventories		
Promotional Stock	169 631	178 041
None of the promotional stock has been pledged as security		
5. Trade and other receivables		
Trade Receivables	1 403 816	3 717 928
Deposits	288 198	288 198
VAT	1 165 455	315 271
Staff Loans	612 450	494 910
Prepayments	2 188 275	11 386
	5 658 194	4 827 693

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2 055	2 893
Bank balances	1 131 071	2 903 040
	1 133 126	2 905 933

7. Provisions

Reconciliation of provisions - 2017

	Opening balance	Additions	Utilized during the year	Total
Provision for leave pay	310 650	103 000	(101 099)	312 551

Reconciliation of provisions - 2016

	Opening balance	Additions	Utilized during the year	Total
Provision for leave pay	288 257	97 889	(75 496)	310 650

Leave provision is calculated at current salary rate multiplied by number of available leave credits. There are no uncertainties envisaged that may affect the above provision.

Notes to the Annual Financial Statements

Figures in Rand

2017

2016

8. Trade and other payables

Reconciliation of provisions - 2017

Trade payables	2 706 002	2 036 047
Amounts received in advance	0	723
Accrual- Straight lining of leases	0	5 473
Accrual (Proudly SA Buy Local Summit and Expo)	21 261	37 809
Payroll Accruals (Provision for expenses)	84 260	216 581
Provision for Director's Tax	75 593	255 731
Provision for PAYE Interest and SARS re-assessment	184 779	184 779
Unallocated deposits	500	500
Total	3 072 395	2 737 645

9. Deferred income

Non-current liabilities	0	0
Current liabilities	916 792	833 845
Total	916 792	833 845

Deferred income represents membership fees received from members which relates to fees for the following financial year.

Figures in Rand	2017	2016
10. Revenue		
Sale of promotional items	8 226	9 420
Government grant - The dti	31 868 000	25 208 000
Grant - UNOPS	0	869 646
Sponsorship	1 732 018	6 187 588
Membership fees	1 874 674	1 531 761
Sundry Income	9 135	249 746
Total	35 492 053	34 056 161

11. Cost of sales

Sales of goods		
Promotional items	5 059	6 139

12. Operating surplus/ (deficit)

Operating surplus / (deficit) for the year is stated after accounting for the following:

Operating lease charges

Premises		
Contractual amounts	760 939	741 942
Equipment		
Contractual amounts	315 689	306 861
	1 076 627	1 048 803
Depreciation on property, plant and equipment	485 735	478 030
Directors' emoluments	4 260 244	3 513 558
Employee costs	14 732 602	14 025 947

Figures in Rand	2017	2016
13. Investment revenue		
Investment revenue		
Interest received	266 250	333 954
14. Finance costs		
Investment revenue		
Interest paid - other	96 639	11 967

15. Auditors remuneration

External audit fees	208 099	196 580
Internal audit fees	535 985	358 078
	744 084	554 658

16. Cash generated from operations

Surplus/(Deficit) before taxation	(1 409 739)	2 188 969
Adjustments for:		
Depreciation and amortisation	485 735	424 474
(Profit) Loss on sale of assets	(9 350)	(11 012)
Interest received - investment	(266 250)	(333 954)
Finance costs	96 639	11 967
Movements in provisions	1 902	(1 189 607)
Changes in working capital		
Inventories	8 410	46 751
Trade and other receivables	(830 501)	(3 152 376)
Trade and other payables	417 693	(3 408)
	(1 505 461)	(2 018 196)

Figures in Rand	2017	2016
17. Commitments		
Operating leases- as lessee (expense)		
Minimum lease payments due		
-within one year	874 076	801 905
-in second to fifth year inclusive		874 076
	874 076	1 675 982

Operating lease payments represent rentals payable by the company for its leased office equipment. The escalation rates from 0% to 5%. The lease agreements do not carry option to purchase the assets at the end of lease terms.

18. Related Parties

Relationships

Proudly South African was a project initially launched through NEDLAC

Related party balances

Amount included in Trade Payables owing to NEDLAC	0	0
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19. Directors' Emoluments

2017

Executive	Emoluments	Total
Adv. Leslie Sedibe (Resigned: 26 August 2016)		
Basic Salary	1 143 099	1 143 099
Performance Bonus	1 600 000	1 600 000
Eustace Mashimbye (Appointed: 1 December 2016)		
Basic Salary	664 756	664 756
Performance Bonus	67 228	67 228
Total Executive Emoluments	3 475 083	3 475 083

Non-Executive: Directors' Fees

Howard Gabriels	159 910	159 910
Joseph Maqekeni	97 796	97 796
Dumisani Mthlane	96 506	96 506
Laura Kganyago	92 638	92 638
Ashley Benjamin	59 108	59 108
Adv. Pria Hassan	65 771	65 771
Thulani Tshafuta	60 397	60 397
Stavros Nicolaou	44 277	44 277
Michael Lawrence	85 975	85 975
Solly Phetoe	22 783	22 783
Additional Tax paid to SARS for 2016 (Directors) fees liability declared and agreed with SARS	0	0
Total: Non Executive Directors' Fees	785 160	785 160
Total Emoluments	4 260 243	4 260 243

2016

Executive	Emoluments	Total
Adv. Leslie Sedibe		
Basic Salary	2 047 368	2 047 368
Performance Bonus	1 000 000	1 000 000
Total Executive Emoluments	3 047 368	3 047 368

Non-Executive: Directors' Fees

Executive	Emoluments	Total
Joseph Maqekeni	88 050	88 050
Dumisani Mthlane	88 800	88 800
Laura Kganyago	79 717	79 717
Ashley Benjamin	26 444	26 444
Adv. Pria Hassan	42 779	42 779
Leigh Gunkel-Keuler	24 995	24 995
Thulani Tshefuta	42 190	42 190
Stavros Nicolaou	38 634	38 634
Michael Lawrence	16 120	16 120
Additional Tax paid to SARS for 2016 (Directors) fees liability declared and agreed with SARS	18 460	18 460
Total: Non Executive Directors' Fees	466 189	466 189
Total Emoluments	3 513 557	3 513 557

20. Prior Period error

Leasehold improvements were amortised erroneously over 7 years instead of 5 years since the inception of the lease.

The correction of the error resulted in adjustments as follows:

Statement of Financial Position

Previously reported accumulated depreciation on leasehold improvements	360 782
Additional depreciation	140 091
Restated accumulated depreciation on leasehold improvement	500 873
Surplus as previously reported	5 469 271
Additional depreciation	(140 091)

Restated Surplus

5 329 180

Profit & Loss

Depreciation, amortization and impairments	424 474
Additional depreciation	53 556
Restated depreciation	478 030

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Revenue			
Sale of goods		8 226	9 420
Government grant - the dti		31 868 000	25 208 000
Grant: UNOPS		0	869 646
Sundry Income		9 135	249 746
Sponsorship		1 732 018	6 187 588
Membership fees		1 874 674	1 531 761
	10	35 492 053	34 056 161
Opening stock		(178 041)	(224 792)
Purchases		13 469	52 890
Closing Stock		169 631	178 041
	11	(5 059)	(6 139)
Gross Surplus		35 486 994	34 050 022
Other Income			
Profit on Disposal of Assets		9 350	11 012
Interest Received	13	266 250	333 954
Operating expenses			
Advertising posts and tenders		(137 760)	0
Auditors remuneration	15	(744 084)	(554 658)
Bad debts		(48 612)	(53 586)
Bank charges		(19 742)	(17 387)
Depreciation, amortisation and impairments		(485 735)	(478 030)
Directors' emoluments	19	(4 260 244)	(3 513 558)
Employee costs		(14 732 602)	(14 025 947)
Fines and penalties		(32 220)	(175 325)
IT expenses		(599 896)	(379 932)
Insurance		(77 059)	(75 273)
Lease rentals on operating lease		(1 076 627)	(1 048 803)
Legal and professional services		(806 262)	(445 134)
Marketing expenses (with focus on LPA activities incl. Travel costs)		(8 510 898)	(5 597 255)
Membership costs		(4 250)	(7 836)

Detailed Income Statement (continued)

SA Premier Business Awards		(462 926)	(324 080)
Proudly SA Buy Local Summit and Expo		(2 258 582)	(3 638 723)
Photocopier costs		(79 845)	(9 374)
Postage		(77 754)	(146 648)
Printing and stationery		(229 187)	(250 061)
Proudly South African CSI activities		(41 192)	(30 040)
Repairs and maintenance		(84 142)	(100 948)
Staff training		(37 704)	(58 106)
Staff welfare		(133 803)	(82 629)
Subscriptions		(32 263)	(16 363)
Telephone and fax		(120 793)	(123 114)
Travel local		(964 655)	(564 357)
Travel – international		0	(20 213)
Workshops and seminars		(63 127)	(66 255)
Utilities		(276 304)	(355 314)
UNOPS project (new project)		(677 428)	(88 659)
		(37 075 694)	(32 247 608)
Operating surplus	12	(1 313 100)	2 147 380
Finance costs	14	(96 639)	(11 967)
Surplus/(deficit) for the year		(1 409 739)	2 135 413

The supplementary information does not form part of the Annual Financial Statements and is unaudited



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