

QUARTERLY REPORT

1 APRIL - 30 JUNE 2022

*Quarter 4
2022/23 Financial Year*





PROUDLY SOUTH AFRICAN
Quarterly Report for Q1 (1 April to 30 June 2022)

APPROVAL OF THE REPORT

Recommended by the CEO for Approval		Endorsed by the Accounting Authority	
Name: Mr. E. Mashimbye	Signature: _____	Name: Mr. H. Gabriels	Signature: _____
Rank: CEO	Date: ___/___/2022	Rank: Chairperson	Date: ___/___/2022

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ACRONYMS

The following are definitions of the acronyms used in the report

Accord	The Local Procurement Accord (an agreement signed on 31 October 2011 by labour, government, business and community representatives to promote local procurement in South Africa, in support of the New Growth Path and government's aim to create 5 million jobs by 2020.
APP	Annual Performance Plan.
Brand SA	Brand South Africa, an agency of the government of the Republic of South Africa whose objective it is to market South Africa as a foreign investment destination.
CGCSA	Consumer Goods Council of South Africa
COIDA	The Compensation for Occupational Injuries and Diseases
CPO	Chief Procurement Officer.
CIPC	Companies Intellectual Property Commission.
COTII	Council of Trade and Industry Institutions.
CSI	Corporate Social Investment.
EDD	Economic Development Department, a national government department in the Republic of South Africa.
FMCG	Fast Moving Consumer Goods.
IPAP	Industrial Policy Action Plan
NCPC	The National Cleaner Production Centre, a programme of the dti, housed under the CSIR which focuses on assisting companies implement cleaner production and resource efficiency measures.
NEDLAC	National Economic Development and Labour Council, an entity of the Department of Labour.
NT	National Treasury.
PFMA	Public Finance Management Act No. 1 of 1999.
Proudly SA	Proudly South African, a not for profit company incorporated in terms of the Companies Act
SALGA	South African Local Government Association.
SAPBA	South African Premier Business Awards.
SOEPF	State Owned Enterprises Procurement Forum
the dtic	Department of Trade and Industry, a national government department in the Republic of South Africa.
The Summit	The Local Procurement Summit & Expo.
UN	United Nations

EXECUTIVE SUMMARY

This report covers the period 1 April – 30 June 2022 and focuses on various highlights during the period:

OVERVIEW - ECONOMIC OUTLOOK

Another 50bps rate hike is anticipated in July following higher-than-expected inflation data released in June

At their latest meeting in May, members of the SARB Monetary Policy Committee (MPC) were unanimous in their decision to continue raising interest rates. With four out of the five committee members in favour of a 50 basis points (bps) increase in the repo rate, the SARB made its largest upward adjustment in lending rates in six years. Since 2016, rate hikes have never been larger than 25bps.

SARB Governor Lesetja Kganyago noted in May that the central bank expected inflation to breach the upper limit of the 3%-6% target range during 2022Q2. This happened with the May inflation reading (published in June) jumping to 6.5% y-o-y compared to expectations of 6.1% y-o-y. Furthermore, risks to the inflation outlook were assessed to the upside, with the SARB suggesting that recent higher-than-expected global inflation numbers could continue to surprise above projections in the months ahead. With this in mind, the SARB expects inflation to return to the favoured middle of the target range (4.50%) by late-2024 only. As such, policymakers are not diverting from their previously stated goal of returning the repo rate to its pre-pandemic level of 6.50%. SARB guidance still

suggests that this would happen by the end of 2024 though it is estimate it would happen in the first half of the year.

It was previously expected the SARB will lift interest rates by another 25bps when policymakers meet next during July. However, following the high inflation reading in May and expectations of a further rise in this reading during June, it is was expected that the MPC will again lift the repo rate by 50bps at its meeting in July. This baseline view includes a further 25bps increase in September and that the central bank will stick to this margin going forward. This would take the repo rate to 5.50% by year-end. If, as the governor fears, inflation readings continue to surprise on the upside over the coming months, the MPC could increase the repo rate by another 100bps during the remainder of 2022 under downside scenario. Room is made for a 50bps increase in July and a 25bps adjustment in September and November. This will be followed by between one and three increases of 25bps each during 2023, depending on the scenario. (*Krugel, 2022*)

Economic growth: Level of output in the economy is back to pre-COVID-19 levels.

South Africa's GDP contracted by 6.4% in the pandemic-hit 2020 and recorded a bounce-back growth rate of 4.9% in 2021 as the world emerged from lockdowns. The size of the 2020 recession could have been smaller if it was not also for the adverse impact of electricity load-shedding; it is estimated that the decline in GDP could have been closer to 3.5% in the absence of power blackouts. A smaller recession would have moderated the size of the 2021 bounce-back in GDP due to smaller base effects, though there is a view that the economy could have grown by another three percentage points in 2021

in the absence of loadshedding. Eskom shed 1,054 gigawatt hours (GWh) during January-April 2022. This started the year off with a 25% increase in average load-shedding intensity per month.

Stats SA reported in early June that real GDP increased by 1.9% q-o-q (on a seasonally adjusted and annualised basis) compared to expectations of about 1.2% q-o-q. All of the ten major industries except for mining recorded q-o-q growth, with manufacturing contributing 0.6 percentage points to the overall growth number.

The volume of goods produced in South African factories increased by 4.7% q-o-q during 2022Q1 with the Absa Purchasing Managers' Index (PMI) March 2022 report reflecting improvements in new sales orders (and, in turn, business activity) as export orders remained positive and local demand benefited from the recovery in the tourism and hospitality sector. The better-than expected q-o-q

growth during 2022Q1 resulted in the economy increasing by 3.0% y-o-y, which was also notably higher than a reading of around 1.8% y-o-y expected by economists. The good news is that the GDP growth seen in 2022Q1 returned the economy to its pre-pandemic size. **(Krugel, 2022)**

The Buy Local campaign and its role in driving economic growth, in response to the above outlook:

Proudly SA continues to have a meaningful role in growing the economy through its role of promoting the buying of locally made products and services, in order to stimulate demand for these products and services, by all sectors of society, such that existing jobs can be retained and new job opportunities can be created.

In order to achieve this, the campaign has the following key focus areas, and these are to:

- Educate consumers on the importance of country-of-origin labels and the economy wide benefits of buying locally made products and services;
- Influence both the public and the private sector(s) to increase their respective levels of local procurement;
- Increase the accessibility of locally made products and services

This is done through various programmes and activities as outlined in the approved Annual Performance Plan, which is derived from the organisational strategic plan and the details contained in this report outlines the progress made during quarter 1 of the 2022/23 financial year.

GOVERNANCE AND OVERSIGHT DURING THE QUARTER

During the period under review, the Board and/or its sub-committees held the following meetings:

3.1) Board Meeting

The Proudly SA Board of Directors met on 29 June 2022 and considered the following:

- The Chairman provided an overview of his strategic activities for the quarter.
- The Board received and considered the Research Report from Thinc Research.
- The meeting approved the Quarterly Report.
- The Board noted the latest Constitutional Court Ruling on Public Procurement and considered as well as deliberated in its impact on the work of the campaign.
- The Board received the list of Companies that received extended payment terms and discounts during the period under review.
- The Board received reports from the Standing Committees.
- The Board considered the Management Accounts and Cash Flow.

3.2) Audit and Risk Committee

The members of the Audit and Risk committee held their meeting on 31 May 2022 and the meeting considered the following:

- The Committee noted that it would receive the Board Evaluation and POPIA internal audit Reports at the next meeting.
- The Committee received the report on the Risk Register and the Risk Management Report, including the measures being implemented to mitigate the identified strategic risks.
- The Committee noted and deliberated on the recent ruling on Public Sector Procurement and agreed that Proudly SA had a substantive role to play.
- The Committee noted the Draft Annual Financials Statements and approved that they be submitted to the AG's office, the External Auditors and would again consider the audited version after the External Audit had been completed.

3.3) Finance and Procurement Committee

The members of the Finance and Procurement committee held their meeting on 6 June 2022 and the meeting considered the following:

- The Committee noted the Draft Annual Financials Statements and would consider them after the External Audit
- The Committee noted the membership fee report and recommended that it be tabled to the Board.
- The Committee considered the list of companies that were being targeted for membership.
- The Committee noted the Management Accounts and Cash flow and recommended them for tabling to the Board.

3.4) Membership, Marketing and Communications Committee

The members of the Membership, Marketing and Communications Committee held their meeting on 2 June 2022 and the meeting considered the following:

- The Committee noted the ruling from the Constitutional Court around Public Sector Regulations and the discussions currently underway at NEDLAC, including those related to the finalisation of the Procurement Bill.
- The Committee noted the research conducted by Thinc Research and resolved that it was important as it would help to position the campaign and its strategic thinking going forward.
- 97 New Members were signed up during the quarter under review and the renewal rate was 82%. There were 20 488 products on the database of products and services.
- The Tender Monitoring System identified 144 bids for designated items in the public sector, of which 65% were fully compliant and 35% were not compliant.
- The Committee noted the Marketing and Localisation Strategies Reports for the period under review.

3.5) HR and Remunerations Committee

The members of the HR and Remunerations Committee held their meeting on 6 June 2022 and the meeting considered the following:

The organogram from January to March 2022 was presented, together with the Organogram which was approved by the Committee at the last meeting, which took effect from April 2022.

The Committee received and noted the reports on Staff Profile and Movements, Training and Development, Performance Management and Staff Welfare.

The performance scores for the quarter under review were tabled to the Committee and were noted.

Proof of submission of the Employment Equity Submission, the Workplace Skills Plan and the Letter of good standing from COIDA were presented to the Committee, in providing assurance regarding compliance by the organisation to the committee.

THE QUARTER UNDER REVIEW

4.1) High level achievements for the quarter

During the quarter under review, the Proudly SA campaign was able to achieve most of its targets as contained in the Annual Performance Plan (APP) for the first quarter of the 2022/23 financial year.

The following were some of the achievements and most of these are reported in detail in Section 5 of the report:

- The above the line campaign as part of the strategic objective of educating consumers on the importance of buying local was able to reach 200 000 consumers;
- The below the line activities were able to reach 2,2 million more people than the targeted 1 million for the quarter;
- In total, 8 Campus/Community targeted competitions or advertising campaigns were rolled out against the planned 2 for first quarter of the current financial year;
- A total of 1 055 tenders issued for designated sectors/products were identified through the monitoring system, and this is 755 more tenders than the initially set target;
- In driving local procurement in the private sector, Proudly SA continues to participate in BUSA's monthly localisation committee meetings and the Localisation Support Fund engagements;
- Presentations on localisation and promoting the database of locally made products were made to at least 7 business chambers, associations and industry bodies, against a target of 2 for the period under review;
- A commitment to continuously review and increase levels of local content in their stores, was received from Shoprite;
- 3 Additional partnerships with large retailers (PPC, SAPPI & Dragger South Africa) were concluded for the current reporting period;
- The organisation exceeded their recruitment target of new members by 14 against the planned target of 80 for the quarter, by signing up 94 new members during the quarter;
- With regard to retention of members, the 80% retention rate was achieved for quarter 1, as the organisation managed to renew 81% of the members due for renewal;
- There has also been an increase in the database of South African supplier products/or services with a total of 376 new products registered against a target of 185 for the period;
- The social media growth amounted to 2% more than the reported number for the prior periods;
- A partnership was concluded with the Dube Tradeport SEZ in order to drive localisation and help our recruitment drive through providing us with access to the tenant companies in the zone; and
- The organisation remains compliant with its financial and human resources administrative and reporting obligations.

AREAS WHERE TARGETS WERE NOT MET:

During the quarter under review, the Proudly SA campaign was not able to achieve all its targets as contained in the Annual Performance Plan (APP) for the first quarter of the 2022/23 financial year, and below are some of the areas where the campaign fell short for the quarter:

- The planned series of public sector procurement forums were halted as a result of the clarity that was still being sought from the Constitutional court following their ruling on the preferential procurement regulations, as it did not specify whether these regulations could still be enforced during this current financial year. Since clarity has been provided and the regulations remain enforceable for this financial year, the forums, at national, provincial and municipality level will be reinstated from Q2 onwards, in order to meet the APP target.
- No member companies have been integrated with the CSD to date however development work has been finalised for both the CSD and Proudly SA systems to synchronise. Proudly SA is also updating its database to ensure alignment with the CSD for integration purposes. National Treasury will soon thereafter confirm the integration date;
- Only 6 Business Forums/Webinars, against a target of 15 forums, took place during Quarter 1, however it is anticipated that the shortfall will be covered during the second and third quarters of the current financial year;
- The departure of the PR Manager during the quarter has resulted in targets not being met for some of the PR related deliverables, including the issuing of 5 press releases, instead of 5 during the quarter. A new PR Manager has been recruited and this will help to again stabilise the department in order for it to reach its annual targets; and
- Proudly SA is to revise its operational plans for subsequent quarters to ensure that it meets its target for quantitative research, specifically with regards to undertaking post event/activations questionnaires. The research concluded by Thinc Research which looked into the impact of the activities and programmes of the campaign gave valuable insights in this regard, and it will assist the campaign develop a scientific basis for its buy local and cal procurement programmes.



MEMBERSHIP REPORT FOR Q1 2022/23

Overview

The Proudly South African membership base is growing at a steady pace with 2,382 companies currently registered as members of the campaign.

In quarter one of 2022/2023, a total of 94 new members were recruited against the target of 80. The growth in new member acquisitions can be partially attributed to Proudly South African's first Wine Exhibition that was held in this quarter. Companies were keen to participate in the wine event for reasons associated to the exposure that their respective brands or products received as well as to the access to market opportunities via the visits to the Expo by various retailers, hotels, restaurants, and their respective buyers.

The rate of retention of member companies for Q1 was 81% which is an improvement when comparing the same periods over the past 2 financial years. In Q1 of 2021 the campaign reached a renewal rate of 72%, whilst in Q1 of 2020 the renewal rate was 45%. This quarter is proof that the data clean up and the new standards set for data integrity is assisting the retentions consultant to achieve the agreed upon retentions target. The lapsed list that is actively being utilised to engage previously lapsed members is also allowing for positive growth in member retention.

The Professional Services and Manufacturing sectors remain the strongest in both new member acquisitions and renewing members. The largest number of new members came from Professional Services. This is especially favorable as most companies view the campaign as being synonymous with advocating for local manufacturers as opposed to service providers. The marketing efforts and access to market platforms is possibly affecting the service industry positively. The manufacturing sector, specifically of food products, was the second largest in new member recruitment. This is positive for the campaign, as logos on food and beverage products offer the campaign greater brand visibility and exposure.

The new member acquisitions and renewal members are still largely located in the 3 large provinces being Gauteng, Western Cape and KwaZulu Natal.

Almost all the new wine manufacturing members came out of the Western Cape and are all female. One of our members explained: Women in the Cape winelands are standing up to be counted, and are now producing their own wine, bottled under the label Women in Wine. A group of 20 women, all with backgrounds in the wine industry, formed the company Women in Wine seven years ago, with "the dream of giving women, especially farm workers and their families, a share in the industry". This is positive as the campaign aims to grow local businesses as well as women in business.

Proudly South African's database of locally made products and services grew by 376 new products and services, exceeding the target of 190. We see a trend of member companies manufacturing a small basket of products only, and not a large assortment of products. They are putting all of their efforts into taking one or two products to market with minimum risk and are joining the campaign in order to reap the access to market benefits available to member companies.

We remain positive that the Market Access Platform (MAP) and the new strategic online partnerships will provide our members with access to market that will drive their anticipated business growth. In this quarter we finalized an MOU with Makro's online store "marketplace". We anticipate that this is the first of many positive joint ventures that aim to offer our members access to market.

Quarter 4 Highlights

Membership Base	
As of Q1 2022/2023	2,382
New Members	
Target	80
Achievement	94
Renewal Rate	
Target	80%
Achievement	81%
Database of Local Products and Services	
Target	190
Achievement	376
Previous Quarter: Q4 2021/2022	20,488
Current Quarter: Q1 2022/2023	20,864

Terms utilised in the tables and charts in this membership report:

Classification of members		
Category	SMMEs Small, micro and medium enterprises turning over less than R5 million per annum and organisations including foundations, councils, associations, and not-for-profit institutions	Annual membership fee (excluding VAT)
		R500.00
	Bronze Organisations turning over between R5 million and R10 million per annum	R1,000.00
	Silver Companies turning over between R10 million and R30 million per annum	R10,000.00
	Gold Companies turning over between R30 million and R50 million per annum	R20,000.00
	Platinum Companies turning over between R50 million and R100 million per annum	R50,000.00
	Diamond Companies turning over R100 million or more per annum	R100,000.00

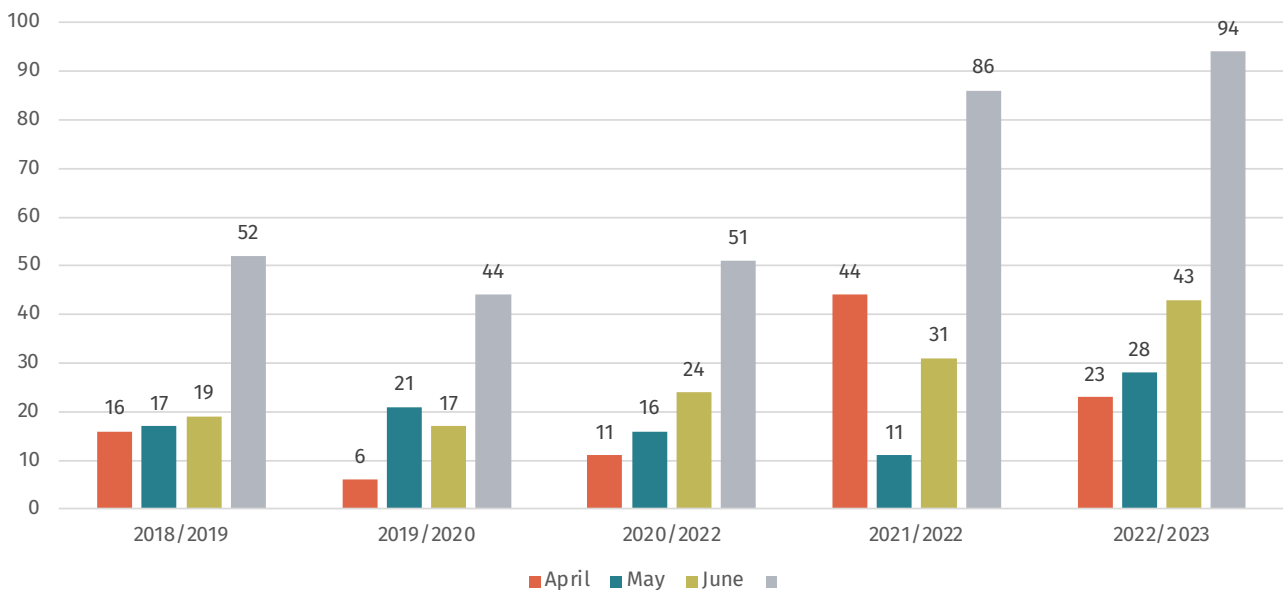
Other terms		
Affiliate of Diamond	A company or division that falls under a holding company that is classified a Diamond (Proudly SA member company category)	
Beneficiary of Diamond	A company that forms a part of a larger organisation's enterprise and/or supplier development programme. The larger organisation is classified a Diamond (Proudly SA member company category)	
TE	A membership based on a Trade Exchange Agreement	
Leads (Company before it is converted to a member)	Lead Origin (origination of a lead)	
	Consultant-generated	A member consultant who is chasing to convert a lead they have generated themselves
	Direct	Enquiry received directly from an organisation interested in membership
	Event	Leads generated from Proudly South African's presence at events
	Referral	Referral of a company from an internal or extra stakeholder

Newly-recruited members

Year-on-year Comparisons: 2018/2019 to 2022/2023

MONTH	2018/2019	2019/2020	2020/2022	2021/2022	2022/2023
April	16	6	11	44	23
May	17	21	16	11	28
June	19	17	24	31	43
	52	44	51	86	94

Graphical Representation YOY Comparison 2018/2019 To 2022/2023



2022/20223 Q1 NEWLY RECRUITED MEMBERS

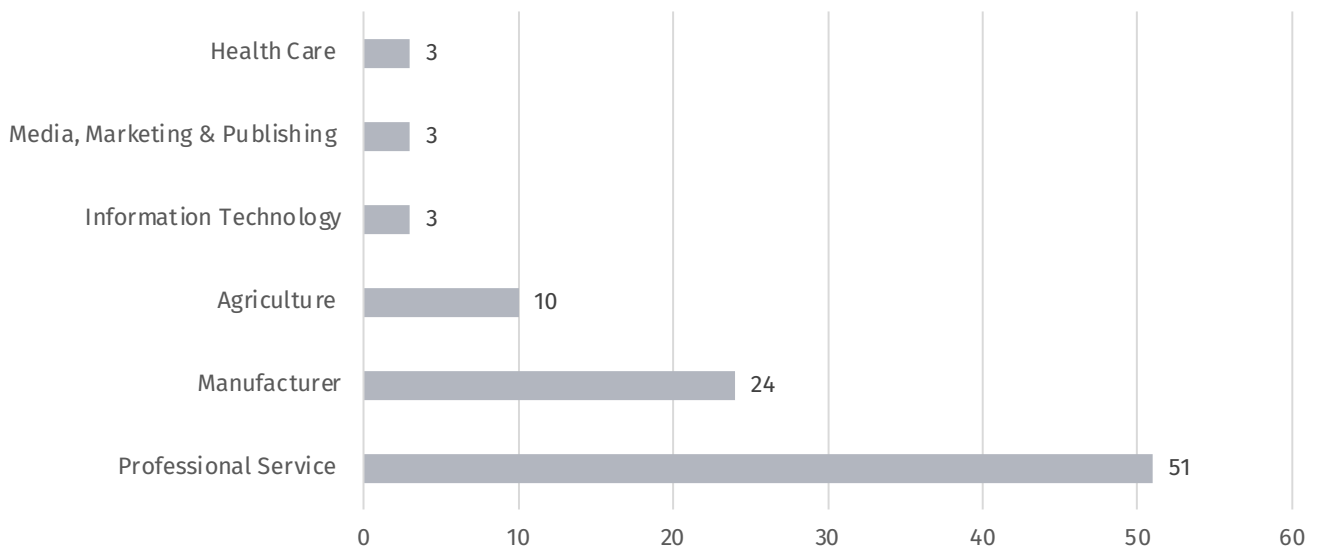
Company	Sector	Province	Classification	Lead Origin
April				
19 Spices (Pty) Ltd	Food Product	Gauteng	SMME	Consultant Generated
Atchariser (Pty) Ltd	Food Product	Gauteng	SMME	Consultant Generated
Azania Executive Transport (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Azania Placement Specialists (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Azania Project Executors (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Fourz Lowveld Properties (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Glad Chemistry Products (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant Generated
Indoda Yokudla Yase Africa (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Inqaba Yesizwe Holdings	Professional Services	Gauteng	SMME	Consultant Generated
Izingodla Health (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Kgatontle Consulting (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
Liquid Gold Lube (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant Generated
Massive Dynamix Water (Pty) Ltd	Professional Services	Gauteng	SMME	Direct
MMM Advisory Services (Pty) Ltd	Professional Services	Gauteng	SMME	Direct
NPI Governance Consulting	Professional Services	Gauteng	Gold	Direct
PMB Health and Safety Services	Professional Services	Gauteng	SMME	Direct
Qhawekazi Style -Collection	Professional Services	Gauteng	SMME	Direct
Red Dot Promotions and Marketing	Professional Services	Gauteng	SMME	Direct
Shodz Entertainment and Promotions	Professional Services	Gauteng	SMME	Direct
SN Fresh and Frozen Foods	Food Products	Gauteng	SMME	Direct
The Stroke Survivors Foundation	Professional Services	Gauteng	SMME	Direct
Tailor Cleanik (Pty) Ltd	Professional Services	Gauteng	SMME	Direct
Take Note IT (Pty) Ltd	Information Technology	Gauteng	Gold	Direct

Company	Sector	Province	Classification	Lead Origin
May				
Africa Beverage Machinery	Professional Services	Gauteng	SMME	Referral
At Vogue Communications Agency (Pty) Ltd	Media, Marketing & Publishing	Gauteng	SMME	Referral
Bhekandoda Pty (Ltd)	Professional Services	Gauteng	SMME	Direct
Cerdak Healthcare (Pty) Ltd	Health Care	KwaZulu Natal	SMME	Direct
COR Test Centre	Professional Services	KwaZulu Natal	SMME	Direct
Dlamini KA Sijadu (Pty) Ltd	Professional Services	KwaZulu Natal	SMME	Direct
Dräger South Africa (Pty) Ltd	Health Care	Gauteng	Diamond	Consultant Generated
Govern - IT (Pty) Ltd	Information Technology	Gauteng	SMME	Direct
Green Eye Consortium	Professional Services	KwaZulu Natal	SMME	Direct
Huizemark Sandton (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant Generated
LT foods Labeling	Professional Services	Western Cape	SMME	Referral
Madan Technology (Pty) Ltd	Information Technology	Gauteng	SMME	Direct
Moropa Royale Trading	Professional Services	Western Cape	SMME	Direct
Mr Spices (Pty) Ltd	Food Products	KwaZulu Natal	Gold	Consultant Generated
Njekza Trading Enterprise	Professional Services	KwaZulu Natal	SMME	Consultant Generated
Platinum Glow Salon	Professional Services	KwaZulu Natal	Silver	Consultant Generated
Rapgen Health Solutions	Health Care	Gauteng	SMME	Direct
Sappi Southern Africa Ltd	Professional Services	Gauteng	Diamond	Referral
The Pretty Blog	Professional Services	Gauteng	SMME	Direct
Times Ten Trading Enterprise	Professional Services	Gauteng	SMME	Direct
TWOHB	Professional Services	Western Cape	Silver	Direct
Vehicle Roadworthy Centre	Professional Services	KwaZulu Natal	SMME	Direct
Venetian Trading & Projects CC	Professional Services	KwaZulu Natal	SMME	Direct
Vukani Sekusile Projects	Professional Services	Gauteng	SMME	Direct
Zeek Market Gains (Pty) Ltd	Professional Services	Gauteng	SMME	Direct
June				
ABICHEM Trading Enterprise	Professional Services	Gauteng	SMME	Direct
Afrikan Passion Designs	Manufacturer	KwaZulu Natal	SMME	Direct
BAYEDE! Marketing Pty Ltd	Agriculture	Western Cape	SMME	Direct
Beard Couture	Manufacturer	Gauteng	SMME	Direct
Bush Whisper Shop (Pty) Ltd	Manufacturer	Gauteng	SMME	Direct
Cape Town Society for The Blind	Professional Services	Western Cape	SMME	Referral
Carmen Stevens Wines Pty Ltd	Agriculture	Western Cape	SMME	Referral
Collateral Trading	Agriculture	Western Cape	SMME	Referral
Convex Trading CC	Media, Marketing & Publishing	Gauteng	SMME	Direct

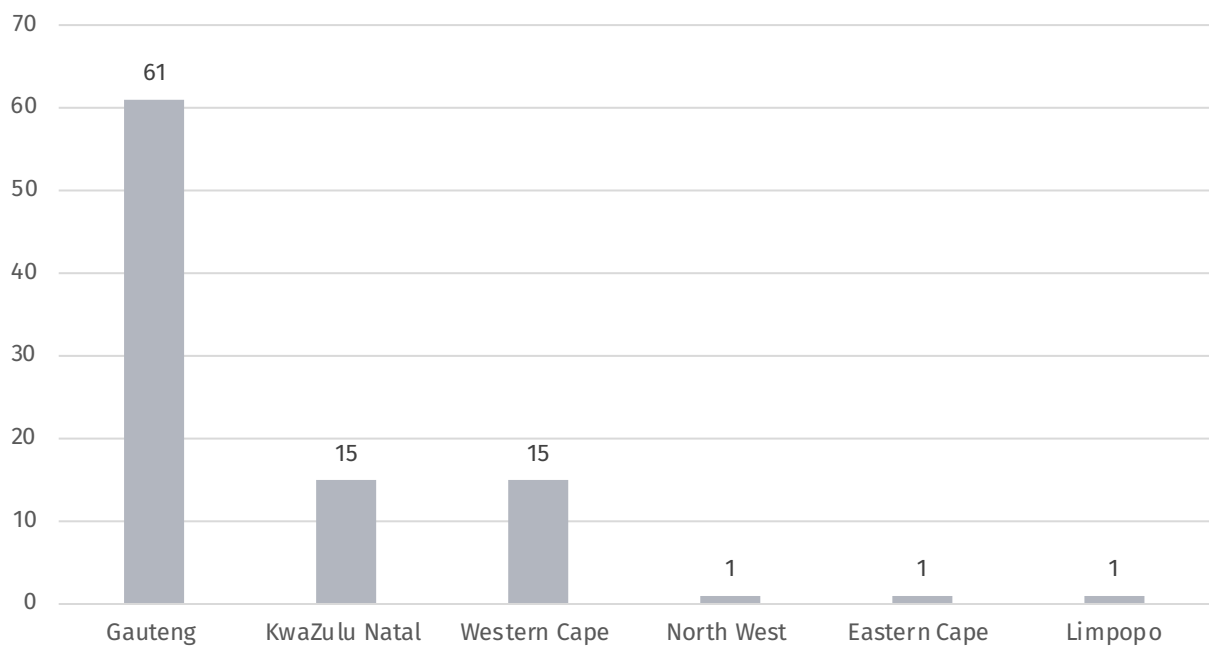
Company	Sector	Province	Classification	Lead Origin
June Continued...				
Corner Dladla Pizzeria (Pty) Ltd	Food Products	Gauteng	SMME	Direct
Croft Sales & Rentals	Agriculture	Western Cape	SMME	Referral
Curl Chemistry	Manufacturer	Western Cape	SMME	Direct
Diphala Development Services	Manufacturer	Gauteng	SMME	Direct
Events by Onicca	Professional Services	Limpopo	SMME	Consultant Generated
Home Bao (Pty) Ltd	Food Products	Western Cape	SMME	Referral
In-Survey (Pty) Ltd	Media, Marketing & Publishing	Gauteng	SMME	Consultant Generated
Jowas Grill (Pty) Ltd	Food Products	Western Cape	SMME	Referral
Lechelle Investments (Pty) Ltd	Professional Services	Gauteng	SMME	Direct
Libby's Pride Wines	Agriculture	Western Cape	SMME	Referral
M'Hudi Family Trust	Agriculture	Western Cape	SMME	Referral
Mouth Watering Trading & Projects	Professional Services	Gauteng	SMME	Direct
Nombuyi Designs (Pty) Ltd	Manufacturer	Eastern Cape	SMME	Consultant Generated
Ntsiki Biyela wine	Agriculture	Western Cape	SMME	Referral
Oath Wines (Pty) Ltd	Agriculture	Western Cape	SMME	Referral
Opulent Interior D-zines (PTY) Ltd	Professional Services	Gauteng	SMME	Referral
PaardenKloof Estate	Agriculture	Western Cape	SMME	Referral
Qaboha Farming	Food Products	Gauteng	SMME	Direct
Ramotshwedi (Pty) Ltd	Food Products	North West	SMME	Direct
Randela Wine (Pty) Ltd	Agriculture	Western Cape	SMME	Referral
South African Employers for Disability	Professional Services	Gauteng	NGO	Direct
The Black Hippie (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant Generated
Thokozani Winelands Investments	Professional Services	Gauteng	SMME	Consultant Generated
The Jewellery Village (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant Generated
The Part Time Vegan (Pty) Ltd	Food Products	Gauteng	SMME	Consultant Generated
African Uncle	Manufacturer	Gauteng	SMME	Consultant Generated
LF Jewellery	Professional Services	Gauteng	SMME	Consultant Generated
Exp Group Africa	Professional Services	Gauteng	SMME	Consultant Generated
Nolo M Jewellery	Professional Services	Gauteng	SMME	Consultant Generated
Reveal Jewellery	Professional Services	Gauteng	SMME	Consultant Generated
Beige Butterfly Jewellery	Professional Services	Gauteng	SMME	Consultant Generated

Company	Sector	Province	Classification	Lead Origin
June Continued...				
MMH Jewellery	Professional Services	Gauteng	SMME	Consultant Generated
Mmako Designer Jewellery	Professional Services	Gauteng	SMME	Consultant Generated
Bakoena Fashion Jewellery	Professional Services	Gauteng	SMME	Consultant Generated

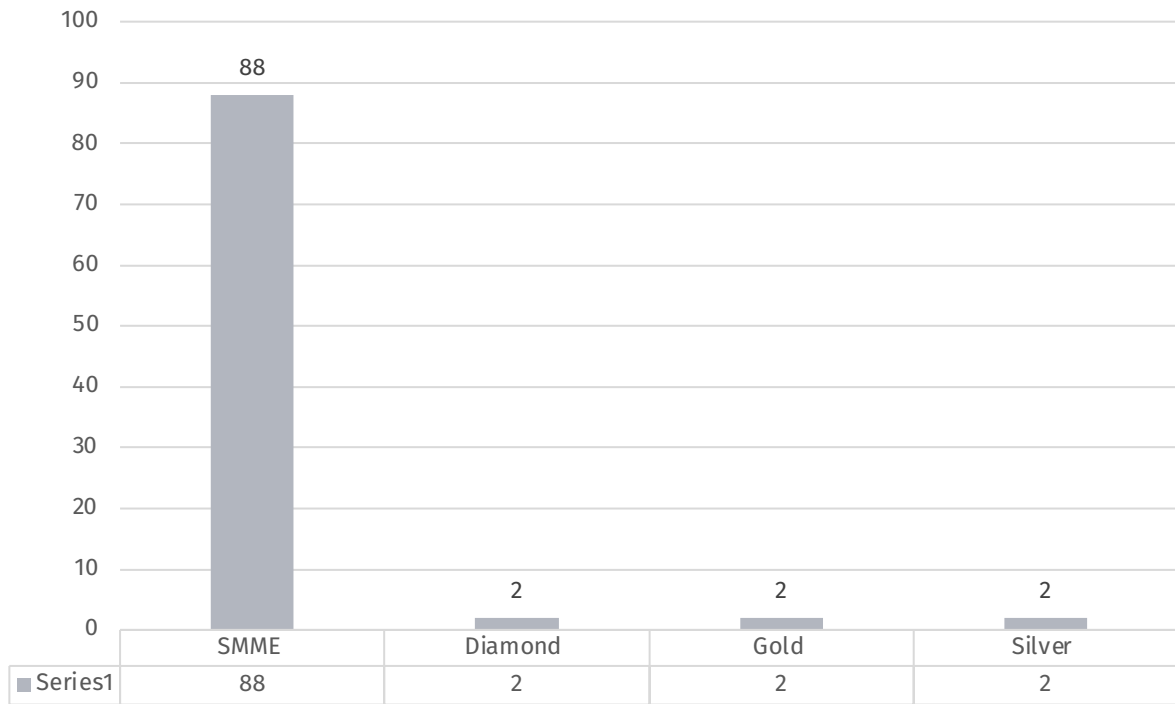
2022-2023 Q1 NEWLY RECRUITED MEMBERS BY SECTOR



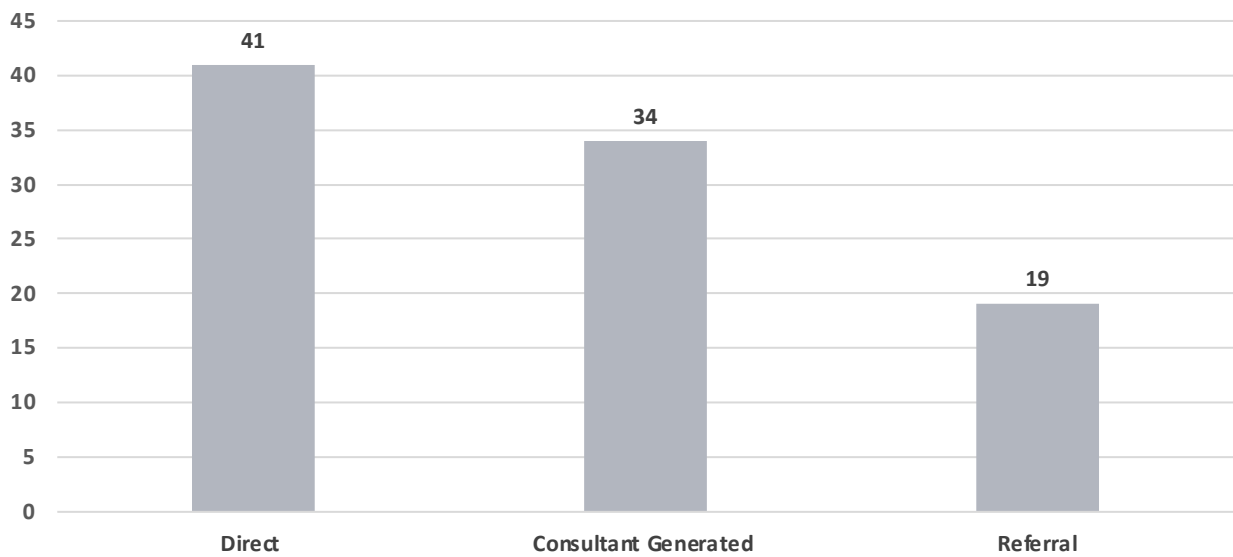
2022-2023 Q1 NEWLY RECRUITED MEMBERS BY PROVINCE



2022-2023 Q1 NEWLY RECRUITED MEMBERS BY CLASSIFICATION



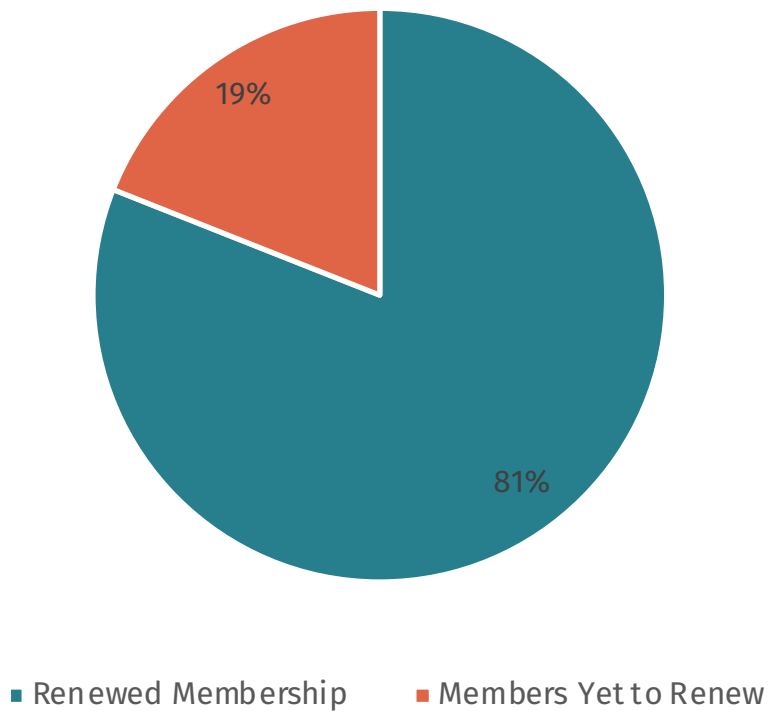
2022-2023 Q1 RECRUITED MEMBERS BY LEAD GENERATION



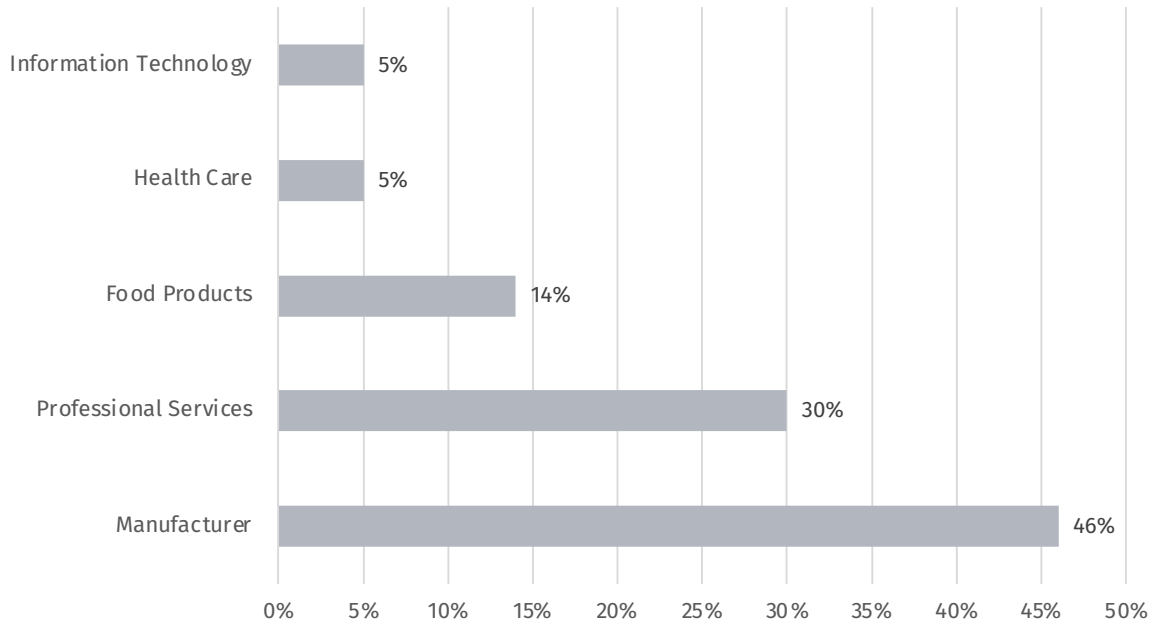
2022/2023 Q1 RENEWING MEMBERS

RENEWAL REPORT	
Renewal Rate:	81%
Target:	80%
REASON FOR GROWTH	
<ol style="list-style-type: none">1. The rate of retention of member companies for Q1 was 81%.2. In Q1 2021 the campaign reached a renewal rate of 72%, in Q1 2020 the renewal rate was 45%.3. This quarter is proof that the data clean up and the new standards set for data integrity is assisting the retentions consultant to achieve the agreed upon retentions target.4. The lapsed list that is actively being worked is also allowing for positive growth in member retention.	
Number of cancelled memberships: No cancelled memberships were recorded in this period.	

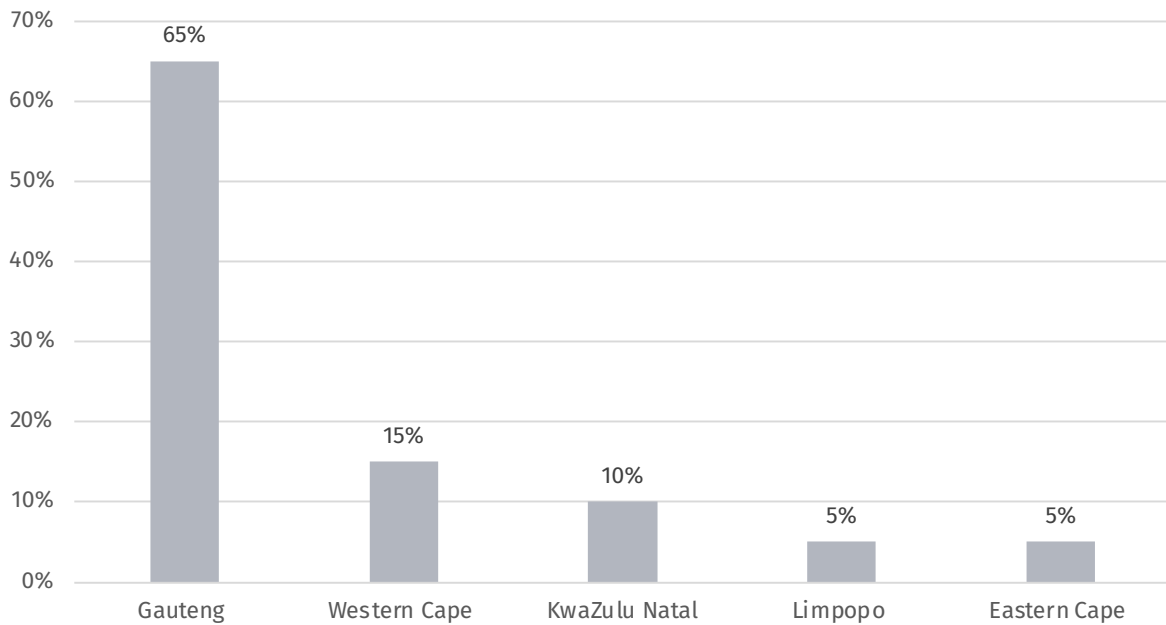
2022-2023 Q1 RENEWED MEMBERS VS YET TO RENEW



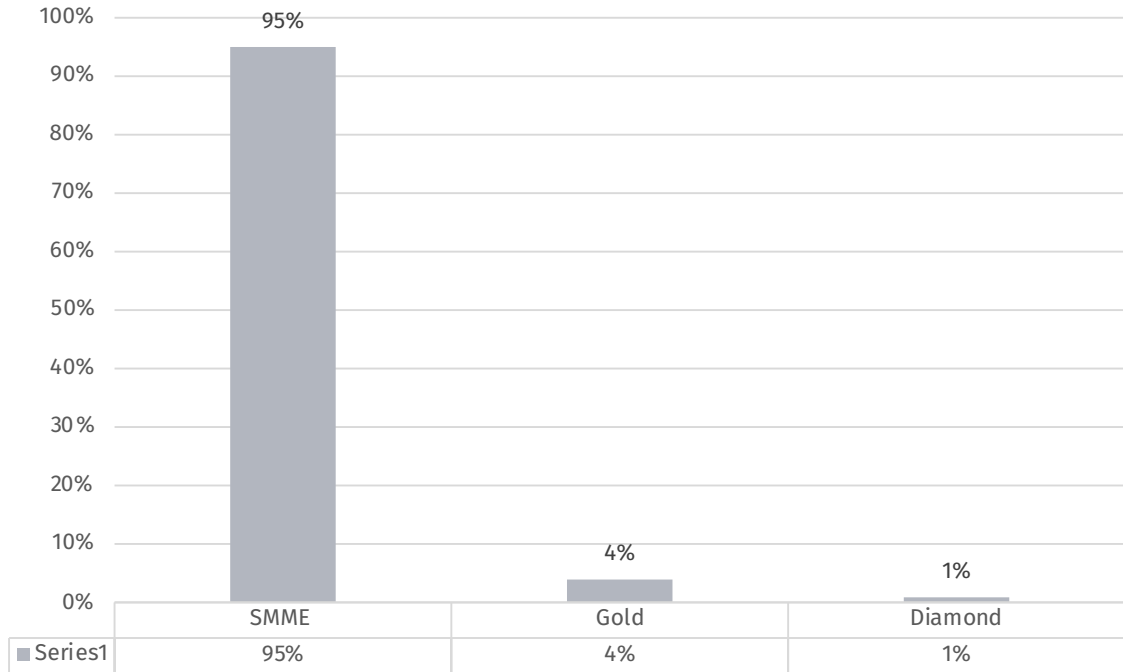
2022-2023 Q1 RENEWING MEMBERS BY SECTOR



2022-2023 Q1 NEWLY RECRUITED MEMBERS BY PROVINCE



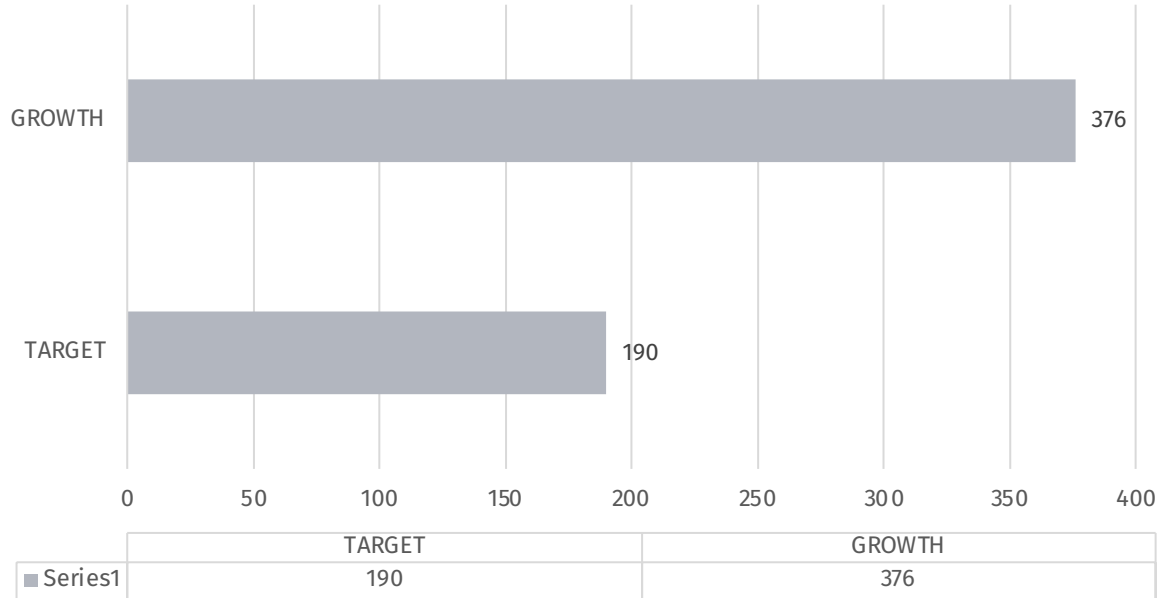
2022-2023 Q1 RENEWING MEMBERS BY CLASSIFICATION



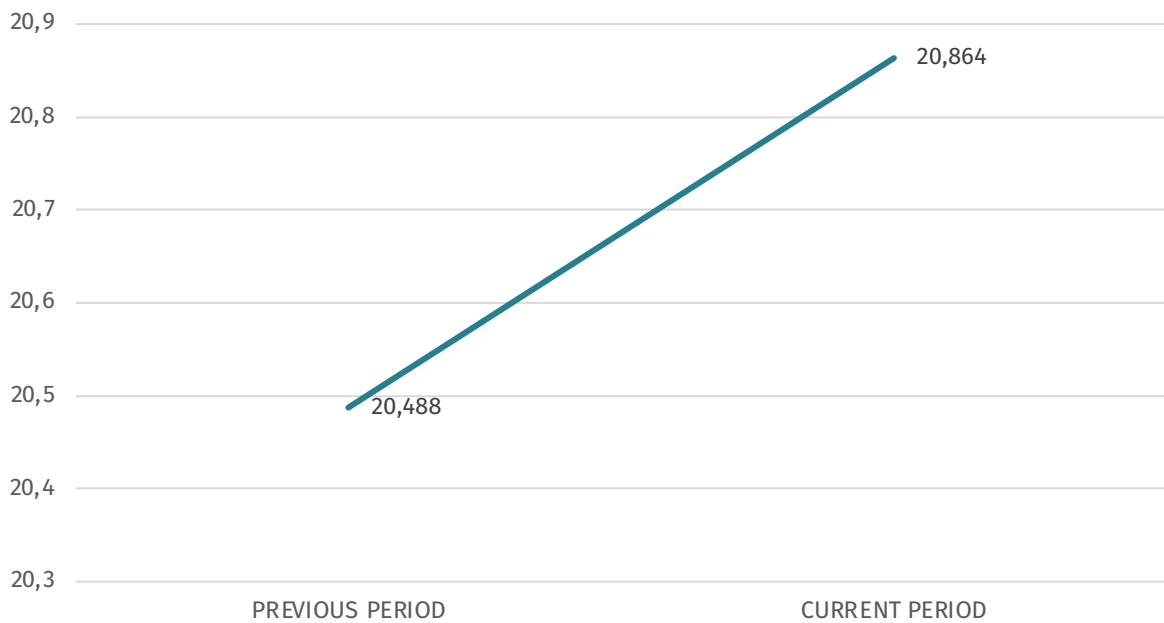
2022/2023 Q1 DATABASE OF LOCALLY MADE PRODUCTS AND SERVICES

PROUDLY SOUTH AFRICAN DATABASE	
Period	Number of Products and Services
Previous Quarter: 2021-2022 Q4	20,488
Current Quarter: 2022-2023 Q1	20,864
2022/2023 Q1	
Target	190
Achievement	376
Target Exceeded: 98%	

**2022-2023 Q1:
DATABASE OF LOCAL PRODUCTS AND SERVICES
TARGET V GROWTH**



**2022/2023 Q1:
DATABASE OF LOCAL PRODUCTS AND SERVICES
PREVIOUS PERIOD V CURRENT PERIOD**



EVENTS AND ACTIVATIONS

HIGHLIGHTS FOR THE QUARTER



Rand Easter Show, 13-18 April 2022

The Rand Show is South Africa's largest consumer lifestyle event staged annually at the Johannesburg Expo Centre, with the 2022 dates confirmed for 13th - 18th April. With a legacy dating back over 125 years the Rand Show remains South Africa's largest and most iconic event that has entertained multiple generations of South African families. The show offered a variety of entertainment, shopping, and experiential activations. Visit the show for live demonstrations and a host of talent and cooking competitions." (www.randshow.co.za)

Proudly SA exhibited at this key event, from 13 to 18 April 2022 and together with the Department of Trade, Industry and Competition (the dtic) bringing in members to exhibit at this event and the following members exhibited at the show: Sihle's Brew, Sister Jenny and Molly Ginger Juice, Kadima 4 Fine dining, and Sheer Elegance (hair products)

The Proudly SA membership team had a booth at the show, as a member recruitment platform. This was a positive and key market access platform for the respective members, who got to market and sell their products to consumers.

Some of the positive points were:

- The members managed to sell their respective products, to different key markets.
- The members products, company logos were branded around the Proudly SA stand, and this stood out, the company exhibition stand was positioned in a key and prime spot.

There was positive feedback from members who were invited to exhibit at the Rand Show Easter 2022 edition, as they found the event to be well received.

- The key reason for taking part in the Rand Easter show edition, was to allow Proudly SA members to have market access platform for selling their products to the various target markets.

Reach for this event: 300 -500 consumers

Target Audience: Prospective Members, Consumers, General Public, Business Owners & Small Medium Enterprise (SME)



Business Solutions Webinar – part 1, 21st April 2022

Mrs. Happy Ngidi, Chief Marketing Officer at Proudly South African was the facilitator for the workshop, opened and welcomed all attendees to the session.

The panellists for the day included the following: Mr Dumisani Mngadi, Manager: Business Development at South African Bureau of Standards (SABS) gave a presentation on the mission and vision of the SABS, how to get SABS certified and what services the SABS offer.

Ms. Lindiwe Madonsela, Senior Manager: Education, Advocacy and Awareness at the B BEE commission gave a presentation on what it means to get a BEE certification the impact thereof, and answered questions from the delegates on how to get their certification.

Mr Lisbon Monyela, Corporate Education Unit at the Companies and Intellectual Property Commission (CIPC) took delegates through the process of getting their intellectual property and ideas certified, as well as the steps and information need to complete the process.

From the Q&A and comments section, we could see that the audience resonated with the information that was being presented. The information shared also shed light on how important multinational's investment in South Africa is, and highlighted the value chain and job-creation element

We had 101 guests signed in to attend the Zoom session, 03 views on YouTube and 09 views on Facebook. Ms. Happy Ngidi took questions online from the delegates and followed to close the webinar.

The session was hosted on Proudly SA's Zoom platform as well as livestreamed on social media platforms.

Reach for this event: Zoom: 101 views, FB: 09 views, YouTube: 03 views

Target Audience: Proudly SA members, business owners, entrepreneurs, SMME's, however, the webinar was open to all public



Proudly South African hosted part 2 of the business solutions webinar on the 26th of April, which focused on helping businesses with access to funding opportunities.

The panellists for the session included Mr. Elias Rafapa Programme Manager, the dtic, who spoke on the agro-processing incentives as well as the support programme for industrial innovation. Mr. Rafapa also touched on other forms of funding by the dtic. Our second speaker was Mr. Mashweu Matsiela, Regional Manager at the IDC in the Limpopo region, who spoke on the criteria needed for applying for funding. He also spoke on the various types of funding the IDC funds and gave numerous funding opportunities they have been key players in.

Mr. Sizwe Dlodla, Acting Investment Principal at the NEF spoke on the kinds of funds you can find at the NEF. He further mentioned the types of criteria needed to access funding, such as Black Owned Female businesses that can access their different types of funds.

Our last and final speaker, Mr. Mzwanele Memani, Director at the Department of Small Business Development spoke on the different kinds of support the DSBD has for small businesses as well as the policies that have been placed to assist SMME'S.

Reach for this event: 62 Attendees

Target Audience: Proudly South African Members & SMMES



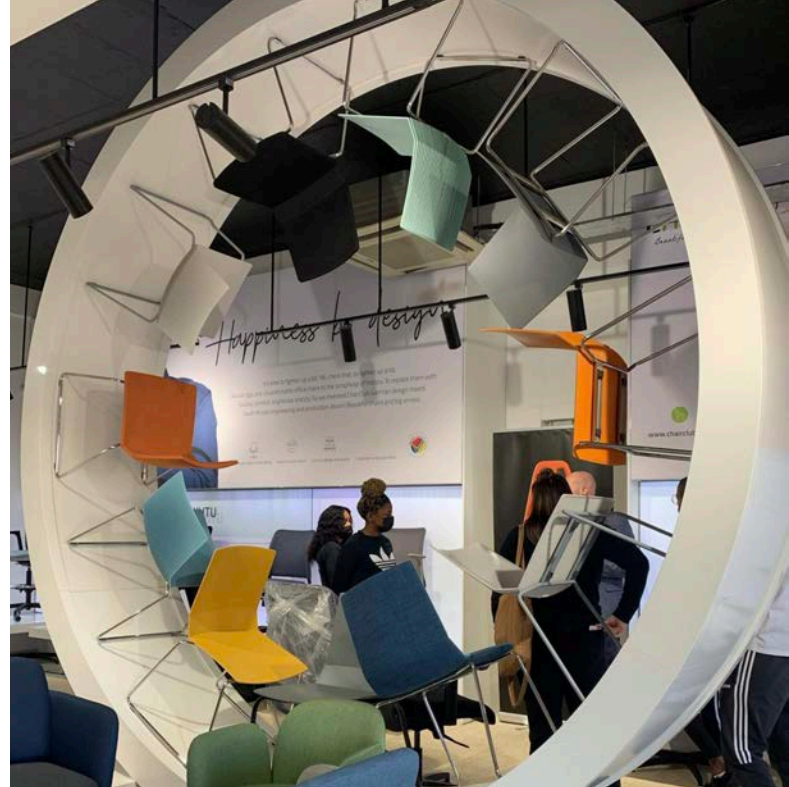
Proudly SA member student visit (Angel Shack), 29 April 2022

As a continuation of our member student visits, which started around youth month last year where Proudly SA saw a need from varsity/college students and how Proudly SA could expose them to job opportunities. Proudly SA wanted to expose them to the value chain opportunities in the sector, as well as show them how the sector contributes to our economy's GDP.

Proudly SA took 4 students on a factory tour of Proudly SA member company, Angel Shack in Midrand to expose them to the job opportunities as well show them how locally made furniture can be of high quality and sustainable. David Fish, Managing Director at Angel Shack welcomed the students and they were taken through the history of Angel Shack.

The selected students majored in Industrial and furniture design and were in their 3rd year. They had a hunger to learn more in order to expand their knowledge in the furniture and Industrial sector.

The team at Angel Shack took us through how creativity and innovation can help produce high quality furniture. David further went on to share the amazing stories of how Angel Shack has managed to create jobs for many unemployed individuals over the years. Angel Shack guarantees that all their furniture pieces are locally designed and locally manufactured and that is what sets them apart from other furniture manufacturers.



David and Hilton from Angel Shack took the team through a tour of the factory and showed us the whole process from the cutting of the boards, assembly of the pieces, painting, wrapping, and sending out the complete furniture products.

The second part of the programme was at the Angel Shack showroom in Illovo, where we were then taken through the showroom of the final furniture pieces which showed smart, contemporary office furniture and inspiring and practical designs that are both affordable and practical.

The students were encouraged to ask questions and take pictures throughout the whole tour.

Reach for this event: 5 Students & 1 media personnel (more consumers reached through social media platforms)

Target Audience: Varsity students & media





Business Solutions Webinar – part 3, 10 May 2022

Proudly SA hosted a business solutions webinar offering support in skills development. The webinar aimed at assisting businesses in identifying their skills gaps, developing, and honing these skills.

Ms. Jeannine van Straaten Executive: Strategy, Stakeholder Relations and Legal at Proudly SA welcomed all speakers and delegates on the platform and gave background of the business solutions hub and the success it was at the 10th annual Buy Local Summit and Expo and why Proudly SA decided to revisit these once again.

The first speaker of this session was Mr. Fanie Rakosa, Operations Manager for Taxpayer Engagement from SARS shared how SARS collects and ensures that there is optimal compliance with all the revenue legislation. Mr. Rakosa further explained how SARS introduced their 9 strategic objectives, but touched more on three of the 9 objectives as those speak closely to the taxpayers and the public at large. Fanie highlighted how SARS was making their processes easy and simple in order to ensure that all taxpayers could comply.

Ms. Rene Rademeyer shared how Harambee assists in finding scalable solutions to assist youth find jobs that are accessible and visible. Harambee offers a platform called SA Youth and was launched by President Cyril Ramaphosa on the 16th of June 2021. SA Youth is a network that assists the youth through keeping them connected, motivated and assisting them to get access to jobs and learning opportunities.

The broadcast video from SEDA highlighted how they support and promote small enterprises in order to ensure their growth and sustainability. These form part of SEDA's non-financial services in collaboration with 72 other incubation centres. Their goal is aimed at ensuring the growth of the small enterprise sector to increase its contribution to sustainable social and economic development, employment, and wealth creation.

MerSeta's video focused on how they help in closing skills gap in the industry in the manufacturing and engineering and other related services.

Reach for this event: 63 Attendees

Target Audience: Procurement officials, CFOs, municipalities, government officials, or key decision-makers

Proudly SA new members meet & Greet, 12 May 2022



Proudly SA hosted a Meet & Greet session on its online Zoom platform, where new Proudly SA members were introduced to the campaign and guided on how they can make the most of the membership.

Through this meet-and-greet, new members managed to hear from Siyabonga Zungu, Brand Manager at Proudly SA on the company's look and feel as well as how to effectively use the Proudly South African Logo, for the benefit of their companies.

Alicia Logan, Membership Manager at Proudly SA spoke on the systems that have been put in place to assist members as well as opportunities that Proudly SA offers to all members.

Assistant PR Manager, Tshiamo Ndlovu spoke on the monthly newsletter that keeps all members in the loop regarding the company's communications & PR opportunities.

Mr. Ndlovu also asked Members to communicate and share any news regarding any PR opportunities that the campaign can be part of. The last speaker was the CEO and founder of RSA Made, Karamba Jabbie, who spoke on the RSA Made platform that offers members an opportunity to list and sell their products on the eCommerce platform.

The event was well received as we got a lot of responses and interaction. The next session will be hosted during the next quarter, where we will be doing a rerun of the exact webinar, however, physically with a range of new members who will be introduced to the team.

Reach for this event: 85 RSVP's 65 Attendees

Target Audience: New and long-standing members



Business Solutions Webinar – part 4, 19 May 2022

The idea was to bring non-financial support entities together and get speakers on an online platform where there could be two-way communication between speakers and delegates.

The entity representatives were then asked to attend to questions and comments that are raised by the delegates, and this was a practical solution-driven online platform that saw quite a positive response from several delegates, that logged in and absorbed the information presented.

The following Stakeholders took part in the session, Mr. Martin Kairu from the Consumer Goods Council of South Africa (CGCSA), Digital Marketing & Standards Lead, Tshaya Mashabela Attorneys, Tumelo Mashabela Director, Patent Attorney, The Companies Tribunal, Selby Magwasha, Manager: Registry, Maximum Profit Recovery (Pty) Ltd, Andiswa Matutu CA (SA) ,Director, The Office of the Tax ombud's Talitha Maude Senior Manager Operations.

It has been generally encouraging, to notice the high interest across the board in the Business Solutions Hub and placing the hub on an online platform was a very welcome suggestion.

The many negative business challenges hampered the development of the business growth and development and this platform saw a call to action from Proudly SA to ease the challenges that some of the companies' face, which can be attributed to administrative challenges of reaching the entities and getting assistance from these entities that have the required solutions.

The delegates interacted and asked pertinent questions regarding the different service offerings of the entities or companies like Tshaya Mashabela Attorneys.

There were 98 RSVPs and the delegates that logged in were low and this hampered the wide reach of the message. The event was restreamed on the YouTube, Facebook, Twitter, LinkedIn, with a hope to increase traction.

On the positive side, the recording will live online on YouTube, and the number of public views is bound to increase, at this stage there is 22 more people who logged in, as opposed to the (1) delegates who logged in on the day of the webinar.

Reach for this event: 98 RSVPs

Online active delegates: 50

Target Audience: Prospective members, consumers & public



Proudly SA Local High Tea, 21 May 2022

In celebration of International Tea Day, Proudly SA hosted a LOCAL High Tea event showcasing different teas that are locally manufactured. It is through initiatives such as this, is where Proudly SA members are able to come in and access markets through our various activities such as International Tea Day.

The local high tea event was aimed at inviting and empowering small women owned businesses in KZN where an informative dialogue took place focusing on how the tea sector continues to play a role in reducing extreme poverty & creating employment, and guests enjoyed locally manufactured teas, paired with delicious local delicacies.

Proudly SA's responsibility was to ensure that the market was secured for locally made products in all industries, and it is important for consumers to demand locally made products and services to benefit their own economy.

Proudly SA's CMO, Ms. Happy Ngidi shared details related to how the tea sector is a labour-intensive industry that creates thousands of jobs for ordinary South Africans and how the sector contributes immensely to the GDP and economy of our country.

It has an extensive multiplier effect through its entire value chain which culminates into households being taken care of by people who work in the tea farms, the factories, retail, small business, SMME's

MEC for Finance – KZN, Ms. Nomusa Dube-Ncube shared with the audience the case study of three small women owned businesses in the tea space based in KZN, and how 2 of those companies had to close shop due to problems, but one named Intingwe managed to keep its doors open. MEC alluded to how the unemployment rate is increasing and how that can only be changed by how South African's do things and take pride in the amazing and good quality products/services we have as a country.





Ms. Belinda Francis, Managing Director at Tych Labour Solutions and a Proudly SA member shared details of how she became part of the Proudly South African campaign, through a programme by the then Tsogo Sun which opened doors for her business and how she in everything she does lives through the moto “Get Up, Dress Up & Show Up”. Belinda further went to explain how she saw an opportunity to start her own business after being retrenched and saw the need to create jobs in the recruitment space.

Our Last speaker, Ms. Mpumie Nqoko, Assistant Brand Manager at Hulett's, a Proudly SA member company alluded to how Hulett's is proud to be affiliated with Proudly South African and the wonderful work the two companies have partnered in over the years. Ms. Nqoko further explained how Hulett's supports women owned businesses in the KZN region and the job creation element that Hulett's brings to the table.

The local high tea event ended with some giveaways of local hampers to the ladies and a networking session over locally produced tea.

Reach for this event: 40 rsvp's, 52 Attendees

Target Audience: Proudly SA member companies, small women owned businesses & SMME's in KZN.





Decorex (CPT), 16-19 June 2022

Decorex Africa has reimagined the way events do business. Over the last 29 years, Decorex Africa has made a material contribution to the elevation and growth of design and decor in Africa.

The trade programme was designed for industry professionals in order to get the most out of their visit to this powerhouse exhibition portfolio. The programme gave exhibitors, trade visitors and delegates the opportunity to meet and engage on a one-on-one basis. This led to meaningful connections during the show to maximise the networking experience of those in attendance.

Consumers visited the show to source and grow their network of reliable and high-quality suppliers for hospitality, retail, commercial and residential sectors from over 250+ exhibitors.

Proudly South African exhibited with the dtic and two Proudly South African members in the furniture sector namely, Eco Furniture Design and Space Save. Proudly South African team educated consumers about the Proudly South African campaign, the benefits of joining the campaign and engaged with exhibitors to try get them to take Proudly SA membership.

Reach for this event: South African consumers and companies in the furniture sector.

Target Audience: 500





Proudly SA LOCAL Market Day, Melrose Arch Shopping Mall, 17-19 June 2022

Proudly South African, the country's national Buy Local campaign, as part of its mandate seeks to strongly influence consumers to buy local in order to 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 decreased.

The Proudly SA local market day aimed to give our members who are in the crafts, home industries and cosmetics space a platform to promote their local products to locals and tourists, access the market at this mall and offer a local social experience.

The scope of members included members in the coffee roastery, hair renewal products, Ceramic crockery, Clothing designers, manufacture organic rooibos tea for babies & South African fashion and accessories brand.

Proudly SA member companies were able to access a huge market in the 3 days, from the visitors (tourists), the shoppers, the residents, consumers & the people working at Melrose Arch. Two of the 6 members that exhibited there made generous sales during the 3 days of exhibiting.

Reach for this event: 1000+ consumers

Target Audience: Visitors (incl. Tourists), Shoppers, Residents & Employees working in the area





Proudly SA member student visit (Nissan SA), 21 June 2022

Proudly SA took students from the Johannesburg Institute of Technology and Rostec College to Proudly SA member company Nissan's plant, in Rosslyn Pretoria. This visit proved to be very popular, as once students heard about this visit, they applied in numbers.

The day began with a huge welcome from the Nissan Team, as the Corporate Communications & Affairs Officer, Mamokhele Sebatane & Tiisetso Kwap, Government Relations Manager welcomed the students and led the tour.

Our first part of the trip was a welcome Presentation from Vuyokazi Qhupe, the Communications Lead for the Nissan African Unit, spoke on how Nissan began and also gave us an idea of the changes and future ideas that Nissan is implementing.

We then heard from the Health and Safety officer who gave us guidelines and PPE for the Tour. The factory tour was such a huge eye-opener. The students got to see the conveyer belt moving and see cars being assembled by the Nissan engineers and electronic robotics. The students also got to

experience the high-quality assurance that has been put into place to make sure the cars are coming out having no defects.

The trip had students eager to get into the automotive industry as the day's information, experience, and exposure gave them more encouragement to be part of this industry.

Reach for this event: 9 Students studying within the automotive industry

(More consumers reached through social media)

Target Audience: Students within the automotive industry



Manufacturing Indaba, 21-22 June 2022

The aim of the annual Manufacturing Indaba and its provincial roadshows is to bring together business owners, industry leaders, government officials, capital providers and professional experts to explore opportunities and grow their manufacturing operations.

Proudly SA has over the years, supported the event and deemed it fit, to continue being an endorsing partner and also an exhibitor at this positive and all-encompassing strategic event that puts various bodies, such as Government and Business in the same space, in an effort to reinvigorate leading talks around manufacturing, which essentially provides support for the manufacturing base of South Africa.

Proudly SA CEO Mr Eustace Mashimbye spoke at the event on 22 June 2022 on the topic of Localisation as a tool of driving Economic Recovery and also participated in a panel discussion titled “Localisation: The business/government model for collaboration and high impact in the manufacturing sector”

The Moderator of the panel was: Saul Levin: Trade Industry and Policy strategies and the panel members were:

- Eustace Mashimbye (Proudly SA CEO)
- Beeuwen Gerrys: Department of Science and Technology
- Imran Sayed: Industrial Development Corporation (IDC)
- Dave Coffey: African Association of Automotative Manufacturers
- Niveshen Govender: SA Wind Energy Association

Over and above Proudly SA exhibiting at the event, the Department of Trade, Industry and Competition (the dtic) exhibited at this event with one of Proudly SA’s members at their dtic stand and they won an award for their stand..

This event was a hive of activity, and another Proudly SA member, Lesco (Light and electrical manufacturing company) also showcased their offerings at the event and the CEO, Mr Shapiro visited the Proudly SA stand to come express his gratitude, and this warm gesture showed patronage for the Proudly SA brand.

Proudly SA exhibited at this event for two days, and shared miscellaneous promo information about the brand and sourced members who manufacture locally and sell their products in the country and abroad.

Reach for this event: 300-500

Target Audience: Business owners, Industry leaders, Government officials, Capital providers and Professional experts





House and Garden Show, 24 June-03 July

On the 24th of June 2022, the East Coast Radio held the 40th House and Garden Expo, which took place at the Durban Exhibition Centre. The expo had over 60 companies exhibiting all kinds of products and services for the home and garden industry and had more than 300 people attending the event.

The dtic and Proudly SA stand had members companies Alifurn and Ucan displaying their products. The stand was quite interactive as it had attractive furniture which consumers can use at home or in the garden.

The event was well put together and apart from the exhibition stands, there were food stalls and entertainment to keep the crowds busy and there was a lot of fun and interactive stuff for the kids.

The event was a great success and as Proudly South African, we managed to obtain a number of leads from other exhibitors participating at the event.

Reach for this event: 300 walks in per day and managed to get 16 potential member leads

Target Audience: The public, Consumers, and buyers



TEA – Township Kasi Workshop, 25 June 2022

Township Entrepreneurs Alliance facilitates business training workshops with a focus on township businesses nationally.

The workshops present a great opportunity for local business owners to engage with other stakeholders, learn through training and engagement, access mentorship and exhibit their products.

The session was a hybrid model which allowed for physical guest's attendance, and it was streamed live. Through the session TEA built a collaborative platform for corporates, government and small businesses to engage.

Proudly SA exhibited at this event with some Proudly SA members. This was an opportunity for members, to engage, network with youth and gain a viable market access platform opportunity to sell, drive social media engagements and potential lead generation. A Proudly South African presentation was delivered by Brand Manager, Siyabonga Zungu.

Reach for this event: + - 80

Target Audience: The public, consumers and buyers





4,5

PR, COMMUNICATIONS & MEDIA

4.5.1 Summary

The first quarter of the 2022/2023 financial year saw the onboarding of new media monitoring service, Novus Media Monitoring. This is a result of a procurement process that followed the end of Proudly SA's contract with Newsclip, who had serviced the campaign for over six years.

As part of our student-factory visit campaign, we took five young students and a member of the media to the factory of local furniture manufacturer, AngelShack, in Midrand, South Africa, as well as their showroom in Illovo. These visits aim to expose the youth to what happens behind the scenes of South Africa's well-known and most loved brands and industries and expose media to the jobs value chain they create.

In celebration of International Tea Day in May, Proudly SA hosted a Local High Tea event in Musgrave, KwaZulu-Natal to celebrate the industry and to highlight our members in that field. This event was preceded by a media blitz which saw the PR team secure interviews with local media outlets Lotus FM, Vibe FM, Gagasi FM and Isolezwe.

The latter portion of the quarter was a hive of activity with preparations of our inaugural Wine Expo at their peak. We took around 10 young students to Nissan South Africa's factory in Rosslyn, north of Pretoria where they got an in-depth tour of the goings on of the South African vehicle manufacturer.

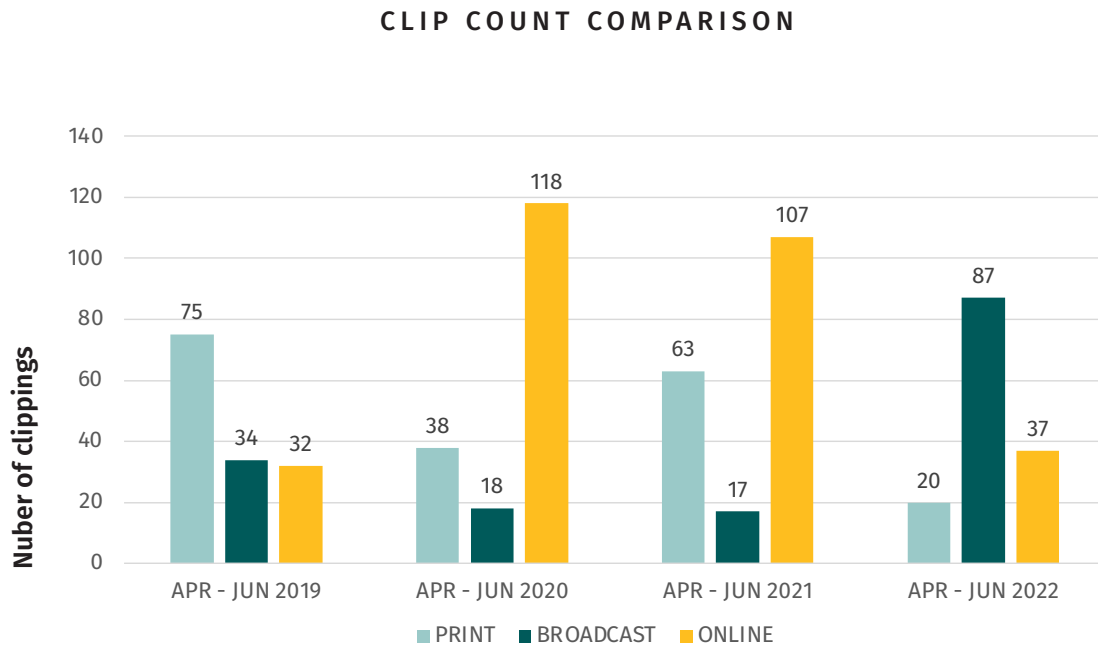
Proudly SA hosted a Local Market Day in partnership with Melrose Arch. The event aimed to give our members who are in the crafts, home industries and cosmetics space a platform to promote their local products to locals and tourists and access to markets and offer a local social experience.

We also hosted a Meet & Greet session, a new quarterly engagement that we will have with new members to introduce them to the Buy Local movement, as well as advise on ways in which their membership can be used optimally.

The first quarter saw the PR team amass coverage worth R10,5 million in PR value, and saw them already surpass the annual social media growth target of 2%.

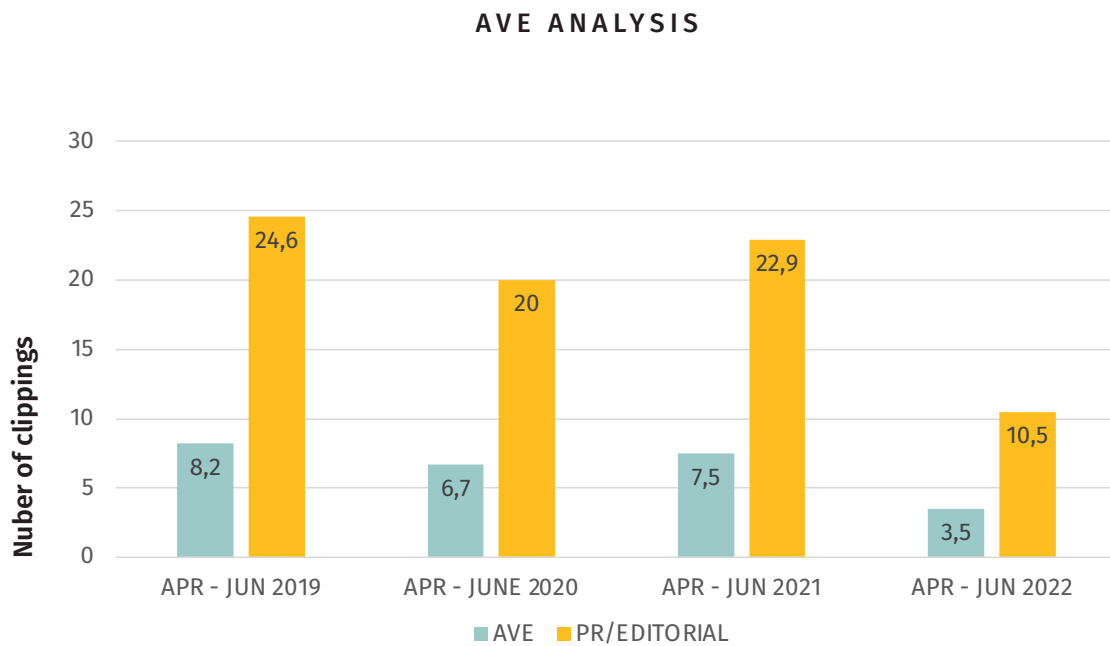
4.5.2) CLIP COUNT ANALYSIS

The clip count comparison illustrates the total number of media clippings for each media platform i.e. print, broadcast and online for the period under review (Apr –Jun 2022). Comparison is made with the same period in previous years.



4.5.3) AVE/PR VALUE

The advertising value equivalency (AVE) is what editorial coverage would cost it were advertising space or time. PR/Editorial value is derived by multiplying the AVE by three. The total AVE value recorded between April and June 2022 is R3,5 million and the PR/editorial value translates to R10,5 million.



4.5.4) Press Releases/Op Eds/Media Articles

The following were issued between April and June 2022:

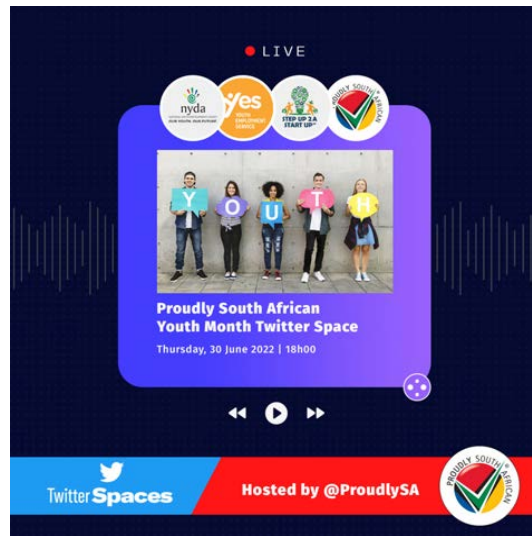
No.	Date	Release/Commission	Title
1	19 May	Press release	Proudly SA celebrates local tea industry on International Tea Day
2	30 May	Press release	The South African Vinyls Association takes up Proudly SA membership
3	May	Op Ed (Sunday Times Made in SA)	Localisation is the key driver of economic recovery
4	10 June	Media drop	Celebrating World Gin Day – stories of locally made gin
5	21 June	Press release	Proudly South African to host inaugural Local Wine Expo in Johannesburg
6	29 June	Press release	Proudly South African to champion the best of local wines at upcoming expo in Johannesburg
7	30 June	Media drop	Profiling a selection of exhibitors from the Local Wine Expo

4.5.5) Social Media

Below is a table which illustrates Proudly South African's following on social media platforms.

	Followers 31 Mar 2022	Followers 31 Jun 2022	Financial year growth
Facebook likes	27 222	27 838	616 (2.3%)
Facebook follows	44 110	46 962	2 852 (6.5%)
Instagram	15 250	15 871	624 (4.1%)
LinkedIn	4 247	4 526	279 (6.7%)
Twitter	180 221	182 386	2 165 (1.2%)
YouTube	503	521	18 (3.6%)
TikTok	36	57	21 (58.3%)
TOTALS	271 589	278 161	6 672 (2.4%)

This quarter Proudly SA hosted a #YouthMonth Twitter Space dialogue as well as hosted #LocalFriday Instagram discussions with Sello Maake kaNcube as well as Kenneth Nkosi.



4.5.6) Media visits/ engagements

Engagement is important to build and strengthen good working relationships with the media. We have managed to engage or interact with members of the media and/or advertising sales staff from the following media platforms (among others.)



4,6

PRESENTATIONS

The Proudly SA CEO, Eustace Mashimbye made CEO-led presentations at various events and at various media interviews. The aim of these presentations is to create awareness and to educate audiences about the Proudly South African Campaign and what it stands for. Businesses/enterprises are also invited to support and join the Proudly South African Buy Local Campaign.

The CEO-led presentations included, among others, the following:

DATE	EVENT	VENUE
1 April 2022	B-BBEE Commission Annual Conference	Virtual
11 May 2022	SA Mining Technical Symposium	Virtual
11 May 2022	FEDUSA Conference	Virtual
26 May 2022	Empowaworx Youth Event	Orange Farm
22 June 2022	Manufacturing Indaba (Stand-alone presentation and a panel discussion)	Sandton Convention Centre
23 June 2022	Country Bird Holdings (Expansion of Supreme plant launch event)	Hartbeesfontein (North-West)
24 June 2022	The Directors Event (Top 100 companies event)	Virtual

ABOVE THE LINE CAMPAIGNS



The branding focus during the quarter in review was to create visual content for the department. We created design work for the events and activations in the quarter. This included invitations, web banners, ecards and event banners. This work has been done to elevate the level of quality of the webinars to make them look professional and consistent within all the different events happening.

We also worked on advertising elements for the event to drive registration and participation. To create more of a buzz around the event, we used digital advertising to reach a large, targeted audience from our various social media platforms including Twitter, Facebook, LinkedIn and Instagram.

We continue to act as a support function to the Marketing Department and the company by creating presentations for client meetings, high level engagements by the executive team as well as designing ecards, invitations as well as web services for the various initiatives the company undertakes. We created the easter egg hunt competition and the artwork for the wine expo and message for the quarter was 'Local and Proud' and we had that designed place on various platforms.

ABOVE THE LINE COLLABORATION WITH SAVA (SA VINYLS ASSOCIATION)

VINYLS MADE IN SOUTH AFRICA

Safe. Responsible. Sustainable



The SA Vinyls Association is a proud member of the Proudly South African campaign. SAVA stands to create a dynamic, sustainable and responsible vinyl industry in the sub-Saharan region by growing the industry and protecting its future through continuous the latest, scientific tests and researches information. SAVA also represents South Africa as the global stage as a member of the Global Vinyls Council.



www.savingis.co.za

South Africa has a dynamic and burgeoning vinyl manufacturing sector that stands to benefit from adopting the Proudly South African logo as a recognised achievement of local content and quality.

"We have a wide variety of superior vinyl products that are manufactured in South Africa. In many cases, these products are exported around the world. From PVC pipes and gutters, to shoes and sunblocks, from flooring products and door accessories to medical devices - we want these companies to enjoy the benefits offered to them through joint membership to SAVA and Proudly SA," says Muzique

Hutzwauser, CEO of SAVA.

Customers and end users know that SAVA members adhere to international health and safety standards and best practice models. The Association's voluntary Product Stewardship Committee (PSC) operates safe, responsible use of additives, sustainable manufacturing processes, and closed loop management. This a sustainability awareness that is consumer confidence by displaying further strengthened by displaying the Proudly South African logo as proof of quality and local production.



SA Vinyls Association is a proud member of the Proudly South African campaign

Proudly South African is the country's official Buy Local campaign and mandated to stimulate much-needed PPE creation and reduction in our country through the lobbying for and promotion of local goods, services and industries.

We are a membership-based organisation and only companies that have been audited and approved are entitled to carry the logo which symbolises the adherence of that product or service to required technical thresholds and quality standards.

Starting from as little as R500 per annum, Proudly SA membership provides South African companies with numerous access to market opportunities, including participation in wholesale events, exhibitions and trade shows, access to listing of products on their exclusive local online store as well business to business networking opportunities.

The criteria for Proudly SA membership are:

- Local content: In the case of products, at least 50% of the final cost of production must have been incurred in South Africa. If raw materials have been imported, substantial transformation must have

taken place in our country. For service companies, we consider just local procurement habits.

- Proof of quality: By way of certification, trade or accredited certification body or industry association.
- Adherence to our country's labour and environmental legislation.



” Creating a demand for local goods creates a demand for local jobs! So, choose local and tell others to do so too!



SAVA

Southern African Vinyls Association



LOGO USAGE

Branding supports the Membership Department by working to encourage existing and new members to adopt the use of the Proudly SA logo on as many touch points as possible including on products, packaging, email signatures, websites etc.

LOCAL LEGENDS/ICONS



CELEBRATING LOCAL ICONS

ZOZI TUNZI

Support local communities to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a sash that says 'MISS SOUTH AFRICA'. The name 'ZOZI TUNZI' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local communities to create jobs' in white.



CELEBRATING LOCAL LEGENDS

ZAKES MDA

Support local arts and culture to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL LEGENDS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two men, one wearing a hat and a colorful shawl. The name 'ZAKES MDA' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local arts and culture to create jobs' in white.



CELEBRATING LOCAL ICONS

UNATHI NKAYI

Support local artists to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a white jacket and a sash. The name 'UNATHI NKAYI' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local artists to create jobs' in white.



CELEBRATING LOCAL ICONS

SHUDUFHADZO MUSIDA

Support local communities to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a sash that says 'MISS SOUTH AFRICA'. The name 'SHUDUFHADZO MUSIDA' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local communities to create jobs' in white.



CELEBRATING LOCAL ICONS

PRESSLEY CHWENYAGAE

Support local TV content to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two men, one wearing a patterned shirt. The name 'PRESSLEY CHWENYAGAE' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local TV content to create jobs' in white.



CELEBRATING LOCAL ICONS

CONNIE FERGUSON

Support local TV content to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a white jacket. The name 'CONNIE FERGUSON' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local TV content to create jobs' in white.



CELEBRATING LOCAL ICONS

BASETSANA KUMALO

Support local entrepreneurs to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a black jacket and a sash. The name 'BASETSANA KUMALO' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local entrepreneurs to create jobs' in white.



CELEBRATING LOCAL ICONS

AZANIA MOSAKA

Support local content to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a striped top. The name 'AZANIA MOSAKA' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Support local content to create jobs' in white.



CELEBRATING LOCAL ICONS

ROBERT WHITEHEAD

Watch local content to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two men, one wearing a suit and glasses. The name 'ROBERT WHITEHEAD' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Watch local content to create jobs' in white.



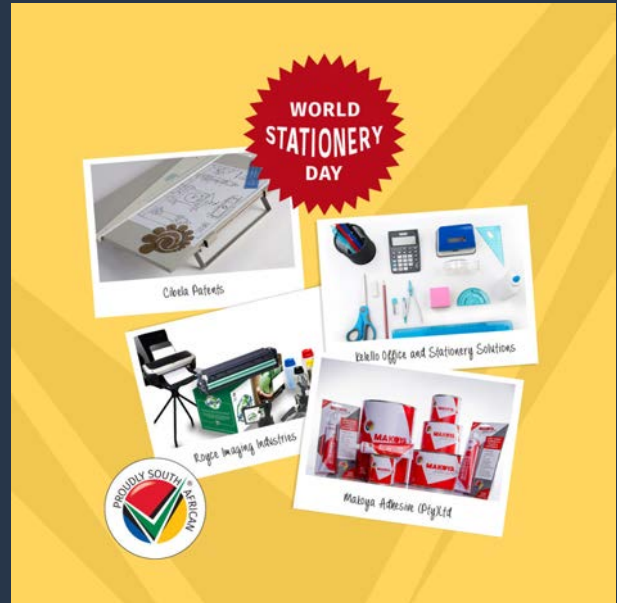
CELEBRATING LOCAL ICONS

LEANNE MANAS

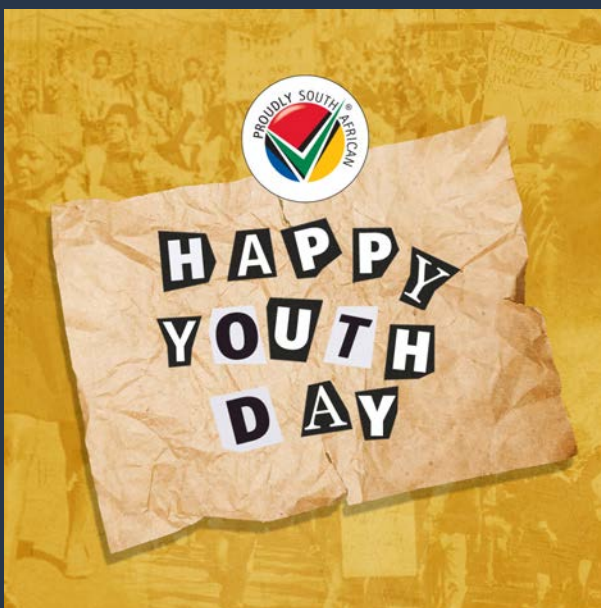
Watch local content to create jobs

Detailed description: A yellow poster with a torn paper effect. It features a circular logo in the top left corner with the South African flag colors and the text 'PROBLY SOUTH AFRICA'. The main text 'CELEBRATING LOCAL ICONS' is written in a bold, black, sans-serif font. Below the text is a black and white photograph of two women, one wearing a white jacket. The name 'LEANNE MANAS' is printed in white on a black background below the photo. At the bottom, a black bar contains the text 'Watch local content to create jobs' in white.

SOCIAL MEDIA E-CARDS



Proudly South African provides visual support for the organisation through the design of various electronic social media posts (e-cards) that are used to promote events, special days, and honorable mentions of great South Africans. The goal is to create a positive affiliation to the Proudly South African brand.



Local is Lekker!

IZINJA ZEGAME!

Grammy Award Winner

Grammy Awards Host

Proudly South African

Congratulations

Grammy Award Winner

We are proud of you!

INJA YE GAME!

Black Coffee

Proudly South African

Congratulations

Grammy Awards Host

We are proud of you!

INJA YE GAME!

Trevor Noah

Proudly South African

LIVE

nyda **yes** **STEP UP 2A STATE UP!** **Proudly South African**

YOUTH

Proudly South African Youth Month Twitter Space

Thursday, 30 June 2022 | 18h00

Twitter Spaces Hosted by **@ProudlySA**

Proudly South African

LOCAL FRIDAYS



PROUDLY SOUTH AFRICAN

**LOCAL
fridays**

EUSTACE

KENNETH

**live on
instagram**

22 April 2022 | 3pm-4pm
@ kennethnkosi | @proudly.sa

This promotional graphic features two polaroid-style photos of men. The left photo shows a man in a suit and tie, with the name 'EUSTACE' written below it. The right photo shows a man in a leather jacket, with the name 'KENNETH' written below it. A yellow banner at the bottom left says 'live on instagram' and provides the date and time '22 April 2022 | 3pm-4pm' along with social media handles '@ kennethnkosi | @proudly.sa'. A circular logo at the top center reads 'PROUDLY SOUTH AFRICAN' around a South African flag.



PROUDLY SOUTH AFRICAN

**LOCAL
fridays**

Happy MaKhumalo Ngidi

Sello Mankwe kaNcube

**live on
instagram**

17 June 2022 | 6pm
@ sellomkn | @proudly.sa

This promotional graphic features two polaroid-style photos. The left photo shows a woman in a red dress, with the name 'Happy MaKhumalo Ngidi' written below it in cursive. The right photo shows a man in a patterned traditional garment, with the name 'Sello Mankwe kaNcube' written below it in cursive. A yellow banner at the bottom left says 'live on instagram' and provides the date and time '17 June 2022 | 6pm' along with social media handles '@ sellomkn | @proudly.sa'. A circular logo at the top center reads 'PROUDLY SOUTH AFRICAN' around a South African flag.

LOCAL WINE EXPO

Are you ready?
LOCAL WINE SHOW LOADING...

WATCH THIS SPACE!

Are you ready?
Local Wine Expo
LOADING...

WATCH THIS SPACE!

Are you ready?
LOCAL WINE EXPO LOADING...

WATCH THIS SPACE!

Do you like your Local wines?
In celebration of South Africa's illustrious wine industry, we are excited to host our inaugural Proudly Local Wine Show this winter and you are invited!

Venue: Sandton Convention Centre
7-9 July 2022 | 3pm - 10pm

free entry

the dtbc Southern Sun NAMC UNIT thewinearc

A South African taste experience
In celebration of South Africa's illustrious wine industry, we are excited to host our inaugural Proudly Local Wine Show this winter and you are invited!

Venue: Sandton Convention Centre
7-9 July 2022 | 3pm - 10pm

free entry

the dtbc Southern Sun NAMC UNIT thewinearc

Cheers to Local wines
In celebration of South Africa's illustrious wine industry, we are excited to host our inaugural Proudly Local Wine Show this winter and you are invited!

Venue: Sandton Convention Centre
7-9 July 2022 | 3pm - 10pm

You are invited
free entry

the dtbc Southern Sun NAMC UNIT thewinearc

PRIVATE SECTOR

Proudly South African Access to Market Localisation Tools

Proudly SA is actively lobbying for localisation commitments from the private sector, and there are a number of tools in place to help facilitate offtake agreements:

1. Market Access Platform (MAP)
2. Proudly SA's Portals



1. Market Access Platform (MAP) www.mapcollaboration.com

Launched in August 2021, the main goal of the platform is to create a database of reliable local manufacturers and service providers from which businesses that have undertaken to increase their uptake of local products and services can procure. Businesses (“corporate buyers”) utilising MAP will be able to rate listed suppliers, which means that the database is a source of local content and quality vetted companies. Members of Proudly SA are automatically eligible to be enlisted on MAP as “suppliers”. This is yet another tool for matching supply and demand of locally-made goods and services for Proudly SA members.

In quarter 2 of 2022/2023, Proudly SA will commence with loading all willing Proudly SA member companies on MAP whilst it is constantly exploring ways to improve MAP in order to keep it current and to support Corporate Buyers’ preferential procurement targets. In quarter 2 and throughout the financial year, efforts are underway to invite procurement officers from Corporate South Africa to enlist as Corporate Buyers on MAP.



Benefits of MAP:

Corporate Buyers will be able to:

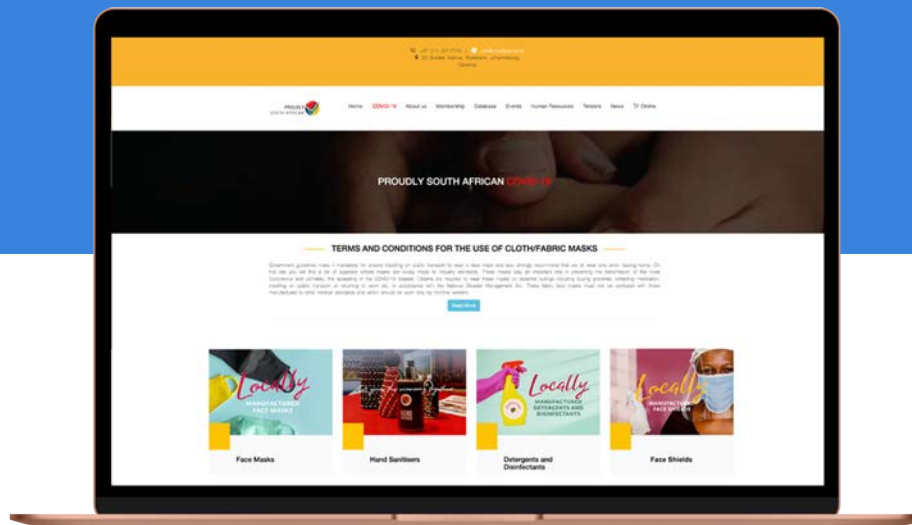
- Find reliable and vetted localised and transformed suppliers
- Refer their high performing transformed suppliers, local manufacturers and service providers to MAP, thereby enabling them to grow and become more competitive
- Advertise procurement opportunities for the private sector
- Support the growth of their own high-performing suppliers
- Increase competitiveness in sourcing suppliers
- Reduce the cost of sourcing
- Rate services received from suppliers
- Record and monitor their localisation procurement commitments
- View the socioeconomic impact of their commercial activity with selected suppliers

Suppliers/member companies will be able to:

- Increase their visibility in a cross-industry marketplace – Access to Market
- Find other suppliers to procure from
- View tenders and RFQs when published for their specific industry
- Report on benefits derived from MAP



2. PROUDLY SA'S COVID-19 PORTALS (www.proudlysa.co.za)



Background and vision

In 2020, Proudly SA partnered the Department of Trade, Industry and Competition (the dtic), the South African Clothing and Textile Workers Union (SACTWU), the Bargaining Council for the Clothing Manufacturing Industry and the Manufacturing Circle to roll out a cloth face mask portal housed on Proudly SA's website to heed the demand for locally-made PPEs in the pandemic. Developing industry- and product-specific portals were also a mechanism for Proudly South African to support the Local Manufacturing Partnership that was created through the Business for South Africa Initiative by showcasing more than 60 manufacturers that were supported by this initiative to close the gap between the supply of locally-manufactured PPEs and demand, and to assist companies to become procurement-ready.

Purpose

These portals comprise a comprehensive list of local manufacturers producing products that have been vetted in accordance with industry standards as determined by the regulators, and in accordance with the specifications determined by the public sector. Individuals interested in procuring local products will have access to the company name, the contact person, the company's location, website and contact details, including an image of the product offering as well as a detailed description. Not only do these portals serve as a marketplace for local manufacturers of PPEs and various other products, they are also indicative of the availability of local products more broadly in the country. The portals provide Procurement Officers the option to procure locally-made products from manufacturers directly, with Proudly South African's connection being synonymous with quality.

Current Product offerings

- face cloth mask
- face shields/visors
- sanitisers
- disinfectants and detergents
- medical PPEs vetted in accordance with the National Department of Health and SAHPRA/NRCS specifications:
 - disposable/plastic aprons
 - disposable/isolation gowns
 - surgical masks
 - FFP2 respirators
 - SAHPRA-licensed sanitisers
 - non-sterile examination, sterile and non-sterile surgical gloves
 - other textile PPEs that include scrubs, bonnets, boot covers, coveralls and shoe covers
- furniture (in partnership with the dtic)

Stakeholders

The portals have been well-received by stakeholders both within the public and private sectors, as well as consumers wishing to procure PPE for everyday use. As PPE has been largely designated by the public sector, Proudly SA has focused mostly on promoting the portals to the private sector. Proudly SA has reached out (and continues to do so) to the Procurement Officers from all spheres of society utilising its membership base, stakeholders that formed a part of the Nedlac Localisation Technical Working Committee namely, the Manufacturing Circle, Business Leadership South Africa (BLSA), Consumer Goods Council of South Africa (CGCSA), and Business Unity South Africa (BUSA) and each body's membership base; the Localisation Support Fund; the associations that form a part of the South African Revenue Services' industry-specific forums; as well as associations and industry bodies; Labour Unions; businesses that form part of the township economy; and Government Departments and Agencies including the dtic through its sector desks, Development Finance Institutions, Department of Small Business Development, the Eastern Cape Development Corporation, Special Economic Zones, and the Gauteng Growth and Development Agency, and National and Provincial Government, Local Municipalities, Metros and State-owned Enterprises.

Proudly SA will strengthen its reach in terms of advocating the support of these tools to the private sector at large. Efforts are underway to obtain localisation commitments from association bodies such as the Franchise Association of South Africa, ***The National Association of Automobile Manufacturers of South Africa, the National Association of Automotive Component and Allied Manufacturers, the South African Furniture Initiative, the South African Petroleum Industry Association, the Banking Association South Africa, the Minerals Council and Mining Equipment Manufacturers of South Africa, the Agricultural Business Chamber of South Africa, the Institute of Plumbing South Africa, the National Hospital Network, the Consumer Goods Council of South Africa, the Tourism Business Council of South Africa, the Restaurant Association, the Taverners Association, and the Self-Care Association of South Africa.***

Proudly SA is participating in various activities to further drive localisation by presenting its localisation tools namely the Portals and MAP to obtain localisation commitments as the first step in securing offtake agreements:

a) Expanding on commitments made at the 2018 Jobs Summit

In 2018, Proudly SA invited 25 companies to make localisation commitments. Since then, Proudly SA has engaged the Franchise Association of South Africa, ***The National Association of Automobile Manufacturers of South Africa, the National Association of Automotive Component and Allied Manufacturers, the South African Furniture Initiative, the South African Petroleum Industry Association, the Banking Association South Africa, the Minerals Council and Mining Equipment Manufacturers of South Africa, the Agricultural Business Chamber of South Africa, the Institute of Plumbing South Africa, the National Hospital Network, the Consumer Goods Council of South Africa, the Tourism Business Council of South Africa, the Restaurant Association, the Taverners Association, and the Self-Care Association of South Africa*** to obtain localisation commitments firstly on industry level, and then from their members (individual companies). Efforts are underway to solidify these commitments and further expand on the list of stakeholders by industry to increase participation of this important and impactful initiative.

At Proudly SA's annual Buy Local Summit and Expo hosted at the Industrial Development Corporation in Gauteng 14 to 16 March 2022, localisation commitments were made by the following corporates:

- The Standard Bank
- OBC Retail
- Absa
- SAB (South African Breweries) Corporate
- TFG (The Foschini Group)
- PG Bison
- Nissan SA
- Aspen Pharmacare

On industry-level:

- NAAMSA (National Association of Automobile Manufacturers of South Africa)
- South African Canegrowers' Association

In June 2022, Shoprite for poultry and its house brands, and Makro for wine purchases have announced that it would support Proudly SA in terms of giving localisation commitments.

b) dtic and other Government Departmental Masterplans

Over and above Consumer Education, Proudly SA is working behind the scenes to lobby for localisation commitments from the private sector to drive demand (by securing offtake agreements).

Currently, Proudly SA is actively participating in:

- Retail-Clothing, Textile, Footwear and Leather
- Sugar
- Poultry
- Steel
- Creative Industries (facilitated by the Department of Small Business Development)
- soon to be signed off Furniture
- soon to be signed off Agriculture and Agro-processing (facilitated by the Department of Agriculture, Land Reform and Rural Development)

Through its partnerships, participation in the following masterplans will follow:

- Automotive through the National Association of Automobile Manufacturers of South Africa (NAAMSA)
- Plastics (through the dtic sector desk)

c) dtic CEO Initiative and Localisation Support Fund Programmes

Proudly SA's Market Access Platform has been earmarked as a procurement tool for both **the dtic** CEO Initiative and the Localisation Support Fund Programmes. **The dtic** CEO Initiative seeks to drive import replacement of 42 products, whilst the Localisation Support Fund, funded by Coca-Cola Beverages South Africa, is identifying specific products to industrialise by unblocking hurdles from a technical viewpoint. Proudly SA is playing a supporting role in both endeavours by assisting the teams to earmark pilot projects and providing introductions to interested stakeholders (including labour, the private sector – including but not limited to retail, plastics, component manufacturers, **the dtic**).

d) Localisation Technical Working Committee (related to the work of the dtic CEO Initiative) now called the BUSA Localisation Committee

Participants of the BUSA Localisation Committee include Proudly SA (who initiated the forum following the 2018 Jobs Summit), Business Unity South Africa, the Manufacturing Circle, the Consumer Goods Council of South Africa, and Business Leadership South Africa. The team initially supported Proudly SA's Market Access Platform as the procurement tool of choice for localised and transformed suppliers, and three engagements were arranged to showcase MAP in 2020/2021 to **the dtic** Minister, and in 2021/2022 to BUSA (as the Nedlac business apex body) and the nominated CEO champions as part of **the dtic** CEO Initiative. With the appointment of a Project Manager by Business Unity South Africa, Proudly SA will continue to support this Committee in further driving import replacement.

Ask from Industry Champions (CEOs)

- Delegate:**
 - Delegate responsibility for implementation to the Procurement Teams
 - One identified point person to interact with PMO
 - Champions will act as promoters of the localisation initiative, including encouraging peers to join the initiative
- Establish Supply and Demand:**
 - PMO will share the supply and demand template with all champions
 - Champions should identify what internal / sectoral capacity they can mobilise
 - Procurement teams to populate supply and demand template
 - For each identified product, procurement teams should identify demand/supply data; manufacturing capacity/capability; opportunities; blockages; current initiatives

- iii) **Additional Support Required:**
 - Submit completed templates to the PMO
 - Direct queries to the PMO
- iv) **Complete Template:**
 - Indicate support required. For example, sourcing of vetted localised and transformed suppliers
 - **The Market Access Platform (MAP)** is available to Industry CEOs and Procurement Teams as a sourcing tool for localised and transformed suppliers

List of Products (a call for a 20% reduction of non-oil imports):

Agro-processing value chain	Health-care value-chains	Basic consumer goods
<ul style="list-style-type: none"> • Poultry • Sugar • Edible oils • Grains • Juice concentrates • Dairy products 	<ul style="list-style-type: none"> • Pharmaceuticals • Personal protective equipment • Ventilators • Other medical equipment 	<ul style="list-style-type: none"> • Clothing • Footwear • Home textiles • Televisions • Mobile phones • Other consumer electronics • Fridges, Stoves and Washing Machines • Household hardware products • Packaging material • Furniture
Capital goods	Construction-driven value-chains	Transport rolling stock
<ul style="list-style-type: none"> • Agriculture equipment • Mining equipment • Green economy inputs and components • Digital infrastructure inputs, components and equipment 	<ul style="list-style-type: none"> • Cement • Steel products • Plastic piping • Steel piping • Engineered products • Earth-moving equipment 	<ul style="list-style-type: none"> • Automobile assembly • Auto components • Rail assembly • Rail components

e) Localisation Partnerships

Proudly SA asks for Development Finance Institutions, entities/agencies such as the Special Economic Zones as well as State-Owned Enterprises to include a clause into loan/funding agreements that stipulates in some way a commitment to local procurement by the borrowing entity. Entities targeted include:

DFIs:

- Development Bank of Southern Africa
- Industrial Development Corporation
- Ithala Development Finance Corporation
- Land and Agricultural Development Bank of SA
- National Empowerment Fund
- SEFA Small Enterprise Finance Agency
- Independent Development Trust (IDT)
- Gauteng Growth and Development Agency (GGDA)
- Northern Cape Economic Development, Trade and Investment Promotion Agency (NCEDA)
- Cape Town and Western Cape Tourism, Trade and Investment Promotion Agency (Wesgro)
- Eastern Cape Development Corporation (ECDC)
- Free State Development Corporation
- Limpopo Economic Development Agency (LIEDA)
- Small Enterprise Development Agency
- Public Investment Corporation SOC Ltd
- Eastern Cape Parks and Tourism Agency (ECPTA)

SEZs (through the SEZ CEO Forum):

- Dube TradePort
- OR Tambo
- Tshwane Automotive Special Economic Zone
- East London IDZ
- Saldanha Bay IDZ

SOEs:

- Eskom

Proudly SA is in the process of finalising agreements with the Industrial Development Corporation, the Eastern Cape Development Corporation, the Gauteng Growth and Development Agency, Dube TradePort and the Saldanha IDZ.

f) Enterprise Supplier Development Localisation Initiative

In an effort to drive localisation, Proudly SA has become the access to market partner for various companies with ESD programmes. These partnerships seek to achieve:

- Prioritisation of local manufacturers/service providers for their ESD programmes
- Inclusion of localisation procurement commitments as a condition for beneficiaries
- Promote ESD programmes to the Proudly SA membership base
- Drive economic growth through joint localisation campaigns
- Award Proudly SA membership to qualifying beneficiaries in order for them to participate in other access to market opportunities (Proudly SA member benefits) to reduce reliance on a single corporate customer.

Companies targeted include: Pick n Pay, SAB, Sasol, TELKOM, Massmart, Heineken South Africa, ABSA, Afrisam, Anglo American, Astron Energy (formerly Chevron South Africa), Barclays Africa, Edge Growth and FNB, Exxaro, General Electric, Goodyear, Hatch, Imperial Enterprise, Investec, Macsteel, Mercedes Benz South Africa, Mr Price Group, MTN, Murray and Roberts, Nedbank, Property Point, REAP SOUTH AFRICA, SANLAM, Sappi, Shoprite, Sun International, Distell Group, Empact Group, Multichoice Group, SPAR Group Ltd, Tiger Brands, Tsogo Sun, Unilever, Volkswagen and Woolworths.

g) Department of Small Business Development (DSBD) Retail Programme

Proudly SA is supporting the DSBD in its retail programme:

- Collaboration to run joint Localisation Campaigns with DSBD, SEDA (**Small Enterprise Development Agency**) and SEFA (Small Enterprise Finance Agency)
- Beneficiary companies introduced to Proudly SA for membership
 - 18 out of 20 companies have taken up Proudly SA members
 - 9 companies are already listed in retail stores namely, Dischem and Clicks
- Joint Campaigns are planned for the 9 companies now in retail stores in quarter 4
 - through social media
 - through Proudly SA's Black Friday to Festive Season (social media and catalogue)
 - In-store launch of companies and their listed products
 - Others
- Department to Introduce Proudly SA to participating retailers to collaborate in terms of localisation
- Department to promote Proudly SA and its programmes, especially the Market Access Platform

h) External Stakeholder Forums

The South African Revenue Service Industry Stakeholder Forums

To support the industries that are flooded with imports, SARS convenes quarterly meetings in order to establish areas of collaboration between SARS and industry on a formal basis by considering the protection of the economy, fiscus and people; for SARS to contribute to the efficient and effective regulation of Customs and Excise processes; and to improve South Africa's reputation as a reliable and trustworthy trade partner by promoting facilitation and compliance with legislation.

Proudly SA was invited to participate in all SARS' stakeholder forums each quarter for the following industries: alcohol, sugar and beverages, tyres, plastics, scrap metal, **downstream steel**, tobacco, petrol, furniture, clothing and textile, and footwear and leather.

Members of the committees are informed of trade trends, requirements and developments that impact on business, are provided with advice on issues to enhance/improve trade facilitation and compliance, challenges experienced by SARS or industry are reviewed in order to suggest strategic business direction and best practices.

Members consist of the relevant SARS' representatives from the Customs and Excise teams, government (usually a representative of the applicable dtic sector desk), and industry bodies.

Initially, Proudly SA was introduced to the Customs and Excise team in order to receive assistance on its import replacement project on the basis that there is misinterpretation/misclassification of imports of the Standard Industry Classification codes – especially with the wide use of the word “other” across all sectors. Proudly SA managed to obtain support from the team in this regard as it was established that it is legislated to formally declare imports as per invoicing details. SARS is exploring the possibility to review its processes and systems in order to implement the legislation.

The forums also provide Proudly SA the opportunity to represent member companies, and to report to members on the state of imports in the country with a view to decrease and eventually alleviate dumping of product on the shores of the country.

In 2021/2022, Proudly SA was given the opportunity to present its projects to the bodies present in these stakeholder forums, all with a view to promote industrialisation in the country (to reduce imports as much as possible) by obtaining localisation commitments on industry-level. Efforts are currently underway to meet with the members of the associations present at these forums.

Similarly, Proudly SA is cultivating relationships with Harambee Youth Employment Accelerator, the Franchise Association of South Africa, and the Gauteng Department of Economic Development to participate in its stakeholder forums or other programmes in 2022 and beyond.

i) Sector-specific engagements

Proudly SA hosted the National Hospital Network and its members at two procurement forums for medical PPE and other consumables in February 2022 to gain support for its portals and Market Access Platform.

At the Proudly SA Buy Local Summit and Expo held at the Industrial Development Corporation 14 to 16 March 2022, Proudly SA hosted three sector-specific events in Clothing, Textile, Footwear and Leather; Furniture; and Automotive to highlight the multiplier effect and the extensive value chains these sectors offer, and the vast number of jobs created by companies in this sector – all with a view to encourage the private and public sectors as well as consumers to procure locally-made equivalents to increase demand.

PUBLIC SECTOR

Proudly South African Access to Market Localisation Tools & Activities

Proudly SA is mandated to:

- advocate for the public sector to buy local in terms of the PPPFA through Designation; and
- influence for self-designation where possible.

Proudly SA is actively lobbying for localisation commitments from the public and private sectors, and it has a number of tools and activities in place to help facilitate offtake agreements:

a) Proudly SA's Tender Monitoring Function

To support the efforts to drive stricter adherence to local procurement legislation (within the public sector), Proudly SA has launched the Tender Monitoring Function in April 2017 which now searches through over 815 government and SOE websites for tenders that are required to stipulate an element of local content. As part of Proudly SA's value proposition for members, they are matched with companies that are able to fulfil the tenders and are flagged and sent to **the dtic** to monitor compliance.

The current list of products designated for local content includes:

Designated Products	Local Content Threshold	Date
Rail Rolling Stock	65%	16-07-2012
Power Pylons and Substation Structures	100%	16-07-2012
Bus Bodies	80%	16-07-2012
Canned/ Processed Vegetables	80%	16-07-2012
Textile, Clothing, Leather and Footwear Sector	100%	16-07-2012
Certain Pharmaceutical Products	Per Tender	07-12-2011
Set-top Boxes	30%	26-09-2012
Furniture Products	85-100%	15-11-2012
Electrical and Telecom Cables	90%	08-05-2013
Valve Products and Actuators	70%	06-02-2014
Working Vessels (Boats)	60%	01-08-2014
Residential Electricity Meters and Water Meters	90%	01-08-2014
Steel Conveyance Pipes, Pipe Fittings and Special	80-100%	28-09-2015
Transformers and Shunt Reactors	10-90%	28-09-2015
Two Way Radio Terminals	60%	30-06-2016
Solar PV Components	15-90%	30-06-2016

Designated Products	Local Content Threshold	Date
Rail Signalling Systems	65%	30-06-2016
Wheelie Bins	100%	18-08-2016
Solar Water Heaters	70%	19-07-2012
Fire Fighting Vehicles	30%	21-11-2016
Steel Products and Components for Construction	100%	13-01-2017
Rail Perway (Track) Infrastructure	90%	13-11-2017
Pumps & Medium Voltage Motors	70%	12-12-2017
Plastic Pipes	100%	2020
Air Insulated MV Switchgear	50%	2020
Bulk Material Handling	85%	2020
Industrial Lead Acid Batteries	50%	2020
Cement	100%	04-10-2021

Proudly SA assists the dtic in categorising tenders in terms of their compliance to local content specifications, whether they are fully compliant, not compliant or whether the local content is unclear. Through the Proudly SA tender monitoring function, the dtic's industrial procurement unit directly addresses non-compliance of tenders/RFQs issued by the entities of government. The unit submits reports on a bi-annual basis. The report for January 2022 to June 2022 will be submitted in the next quarter.

In Q1 of 2022/2023, Proudly SA tender monitoring function picked up 1,055 tenders related to the 28 products designated for local content.

b) Events – Public Sector Procurement Forums (education drive):

With **the dtic** Industrial Procurement Unit, the South African Bureau of Standards, Auditor General of South Africa and National Treasury, Proudly SA facilitates events to educate the public sector on the importance of localisation. Events are facilitate as per follows:

- i) Provincial (all 9 provinces)
- ii) State-owned Enterprise Procurement Forum (one annually)
- iii) Metros (new activity)
- iv) Municipalities through SALGA (new activity)
- v) National in partnership with National Treasury in 2022 (new activity)

c) Updating of Specifications

Piloting office furniture, Proudly SA is working with the dtic sector desk and industry to update specifications and revise the local content thresholds in designation to match what industry can supply.

d) SABS Local Content Verification

Proudly SA is participating and supporting the South African Bureau of Standards in its Local Content Verification Initiative by recognising its local content mark as a part of the Proudly SA Market Access Platform.

e) Integration with the CSD

In order to ease the process for those members of Proudly SA not yet enlisted on National Treasury's Central Supplier Database to enlist by virtue of their memberships (and depending on whether they comply with NT's requirements), Proudly SA is undertaking an integration process with the CSD. Development work for both organisations have been completed. Proudly SA is currently finalising its database for integration.

Members will also have the benefit of the use of the Proudly SA member logo beside their listing to encourage those buying for government, to buy from local manufacturers and service providers where companies' products and services are vetted in terms of Proudly SA's criteria for local content and quality.

f) Proudly South African comments on the Draft Preferential Procurement Regulations, 2022

Proudly SA is lobbying with National Treasury to secure the inclusion of localisation procurement commitments in each and every entity's procurement policy going forward.

Here follows Proudly SA's submission on the Preferential Procurement Regulations to National Treasury:

Introduction

Proudly South African ("Proudly SA") welcomes the Minister of Finance's intention to revise the Preferential Procurement Regulations to improve on the prescription of the threshold amounts in which the 80/20 and 90/10 preference point systems must be used, together with the formula to be applied. However, the draft Regulations completely disregard local production and local content.

Proudly SA's core mandate is to promote the procurement of locally-made products and services rendered across all industries to all spheres of society including but not limited to organs of state. It was expected that the draft Regulations would take into account the key challenges faced in public procurement, namely preferential procurement of locally-produced products and services, but disappointingly, the draft Regulations fail to acknowledge the need to include local content. Therefore, Proudly SA is of the view that the draft Regulations requires urgent reconsideration for the following reasons:

- 1. The draft Regulations are not safeguarding local businesses and local jobs:
With the previous Regulations promoting fairness and transparency in public procurement, the draft Regulations indirectly promote support for companies operating outside the Republic.*
- 2. The draft Regulations are adding to the uncertainty and confusion with respect to localisation for public sector procurement officials who need to procure all manner of items for their operational needs, following a series of court rulings by the Supreme Court of Appeal and the Constitutional Court in a case brought by Afribusines NPC against National Treasury.*
- 3. Following the Constitutional Court ruling which further muddied the legal waters, National Treasury issued a directive to all government agencies that any tender issued before 16 February 2022 should proceed in accordance with the existing PPPFA, and that any tender issued after that date should be held in abeyance and no further tenders should be issued until clarification is received from the apex court on the validity – and suspension – of the terms of the PPPFA.*
- 4. Subsequently, on 3 March 2022, National Treasury issued a further advisory that public sector procurement could resume, with entities free to use their own procurement criteria and advising them that they could apply to National Treasury for exemption of any of the specific clauses of the current Regulations, including from local content requirements.*
- 5. To add insult to injury, new Regulations have been drafted and are currently out for public comment, and all local content provisions that used to be included in the PPPFA have been omitted, with National Treasury presumably trying to avoid another legal wrangle as a result of this.*
- 6. As Proudly South African, we are asking: How serious we are about job creation as a country if we are in a society where some of us might question a programme that is going to sustain jobs and create much needed new job opportunities, in the form of local procurement regulations in the public sector? Who is benefitting from the current status quo if there is a possibility of a legal challenge if mandatory local procurement is included in the Regulations – certainly not the masses who are losing their jobs as a result of the influx of imported products supplied to the state.*

How can National Treasury be serious about job creation when their clearly cautious proposal for new public sector procurement legislation flies in the face of the work of the dtic, of masterplans that have been drafted in a number of sectors, with the inputs of government, organised labour and private sector stakeholders in each of the respective industries – all of which are designed to protect local jobs.

Dumping local content as one of the selection criteria for awarding tenders by public sector entities will set the buy local movement back immeasurably. The Economic Recovery and Reconstruction Plan which has been drawn up in partnership with government, includes local procurement as one of the key drivers of that recovery, and cannot be ignored. This cautious stance by National Treasury is jeopardising the success of the plan by disregarding those 28 items that have been designated for compulsory local procurement and all other localisation considerations that apply.

Already, Transnet, whose procurement record is one that many might question following some of the revelations over the last couple of years, has issued a memo stating that:

“Transnet will no longer be using preference during this period of exemption, that negotiations will continue to be applied for market-related pricing and any other opportunity where Transnet can achieve cost savings and that tenders will not be issued with local content requirements for designated sectors.”

This is just one policy that we have seen been widely shared. What about the other entities? This opens the door for cheap imports which will ring the death knell for local businesses.

The injustice of the proposed amendments to the PPPFA (2000) cannot be permitted and we urge National Treasury to reconsider this position.

It is of the utmost importance that the Regulations provide for and create an environment that will allow for public sector entities to include local content provisions in their respective entity’s preferential procurement regulations in order to promote the buying of goods manufactured in the Republic without discarding other preferential factors including categories of person, business and sectors. More specifically, the Regulations must ensure that local manufacturers are at the heart of every procurement decision made by the public sector.

Our comments are divided into two parts: In Part 1, we share our general observations about Chapter 4 of the draft Public Sector Procurement Bill (“the draft Bill”). In Part 2, we provide clause-by-clause commentary on Chapter 4 of the draft Bill.

1. General observations of the draft Regulations and comments made in relation thereto

The COVID-19 pandemic has brought to light many gaps in the current manner in which government procures. This fact is highlighted by government’s inability to procure sufficiently and efficiently to meet the demand of much needed locally-manufactured textile Personal Protective Equipment for its frontline workers which is designated (in-line with Regulations contained in the Preferential Procurement Policy Framework Act (“PPPFA”)) at a local content threshold of 100%.

Proudly SA is of the view that the public sector’s inability to procure locally-made goods (whether designated or more widely) is the cause of systemic practices which in turn has created supply chain disruptions such as the aforementioned example.

The Regulations should define a system of preferential procurement including designation, thereby negating its implementation as it is not presented within a clearly defined legislative framework to ensure its legal validity. It will be easy for public entities to incorporate this into their respective preferential procurement regulations as the framework, as provided through the instrument of designation that already exists.

Proudly SA therefore recommends that the framework for local procurement should be contained in the Regulations, even if not in the form of an instruction note, but as a guide to assist organs of state not to miss out on including this very important economic imperative.

Proudly SA further recommends that the starting point be that preference should be given to locally-made goods by all organs of state in their respective policies, over and above designation by including certain commitments made by the public sector in the Local Procurement Accord (agreement signed on 31 October 2011 by representatives of labour, government, communities and business to promote local procurement in the country in support of the New Growth Path) in the Regulations: namely,

1. The public sector to commit to actively expanding the list of (national) designated products to be considered by the entities for their policies by at least five products per annum. The list of items must be in consultation with all social partners.
2. The public sector to commit to significantly expand the value of goods and services it procures from South African producers, over and above national designation by developing and implementing a self-designation policy for each level of government of local products specific to firstly, metro or municipality (including entities reporting to these structures) availability, secondly, regional/provincial (including entities reporting to this level of government) availability, and thirdly, consideration of other provinces (including entities reporting to this level of government) before seeking procurement opportunities outside the borders of the Republic. Such policies must be developed in consultation with social partners and industry, ratified and published to show transparency and accountability by the procurement officers. Should procurement officers seek to procure abroad, reasons for their decisions must also be published in their integrated reports. Proudly SA also recommends that bids and results of the bids continue to be published by each public entity.
3. Centralised purchasing of all (national) designated items through commercialising local technology as per 26(2)(c) of the draft Bill. Proudly SA is of the view that a central point will advance local procurement to ensure aggregated spend, with advantages for economies of scale.
4. To further advance centralised purchasing, procurement officials must have access to product specifications in line with the needs of the Republic and the capabilities of local manufacturers. Therefore, product specifications must be revised and published in one central point to alleviate any confusion from the public sector in order to invite local companies to bid accordingly. Should procurement officials have a need for a product not yet made locally, the contract period should be shortened to ensure local manufacturers seek support from government and/or social partners to build capacity to start manufacturing locally.
5. Development of resources, including people and IT structures, is of utmost importance to ensure that these economic growth objectives that can be attained through local procurement by all organs of state are met.

Object of the draft Bill in 2(c) highlighted the need for “the development of economic capacity in the Republic, through the provision of opportunities for local suppliers to participate in procurement”. Historically, these systemic practices placed a focus on the category of person rather than the origin of the goods procured by the category of person. Placing focus on the latter suggestion, public procurement will be centred around procurement of locally-manufactured goods whether directly from the manufacturer or by a “supplier” defined by preferential factors including the category of persons identified in the draft Bill as previously disadvantaged by unfair discrimination and other determining factors such as the Broad-based Black Economic Empowerment Act etc. (Should manufacturers not be able to fulfil the bids themselves for whatever reason), to ensure “suppliers” procure from local manufacturers, Proudly SA recommends that a full list of suppliers be made available in each bid of qualifying local manufacturers. This list may be updated regularly and published alongside the product specifications as detailed above.

The awarding of tenders and contracts should be done in a way that further advances industrialisation through promoting investment in the Republic. Therefore as an incentive to investors, the public sector should conclude longer term (minimum five-year) procurement agreements, which will serve as off-take agreements in order to introduce a new locally-manufactured product or manufacturer, or to capacitate existing manufacturers who wish to scale in order to meet the procurement needs (in terms of volume) of the public sector.

To ensure the fluid implementation of the local content provisions of each entity's preferential procurement policy and for its integrity to be upheld, consequences for non-compliance must also be addressed in each entity's policy. It is recommended that the entity's accounting authorities work closely with the Office of the Auditor-General of South Africa to ensure that their procurement regulations, which will also cater and provide for preferential procurement of locally-made products, are implemented accordingly. Should any party be found guilty of non-compliance, immediate action should be taken against the party, whether criminal or other, and that such culprit be held liable in their personal capacity (as per the latest amendments to the Public Audit Act). A whistle-blower telephone line/email address for each entity may be used to report non-complying parties anonymously.

2. Preferential Procurement Policy – applicability thereof

See our general comments on preferential procurement in Part 1 above: The Advisory from National Treasury must contain a proper framework for preferential procurement and applicability of local content, where entities wish to implement this, to help guide the entities.

As iterated above, preferences should be given to local manufacturers, or locally-made products procured by local suppliers. An entity may, for instance, give preference to bidders from a particular locality even if the bidder is not considered a top-ranking bidder. Reasonable flexibility must be given to price determination factored as a preference point when considering local manufacturers.

The instrument of designation and the items designated for local procurement, as well as the current local content declaration formula/method and process, supported by SABS' ability to verify levels of local content as declared by bidders and/or suppliers through their local content verification scheme should continue to serve as a guide and reference point for entities.

Proudly SA would like to re-iterate the importance of considering local manufacturers for its bids; hence, the importance of including local manufacturers

in developing general product specifications, and open access to a manufacturers list alongside specifications to ensure the involvement of industry (with a view to industrialise). Suppliers may work with manufacturers in a mentoring/JV system when bidding to advance transformation in the country and promote industrialisation.

PERFORMANCE FOR THE PERIOD UNDER REVIEW

Performance for the period under review (1 April to 30 June 2022) - Performance against the Annual Performance Plan targets for the quarter

Key focus area: Consumer Education Campaign on the economy wide benefits of buying local – “Buy Local” to Create Jobs! – ERRP

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing “Buy Local” purchase behaviour	To increase awareness of Proudly SA (products and services), influence purchase behaviour in favour of local products, raise the profile of local products and educate consumers on the importance of buying local through: *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;	Buy Local Game Time campaign reached more than 20 million people during 2020/21	Above-the Line – Buy Local/Buy SA Activism Campaign reaching at least 20 million consumers per annum	0 million consumers	0.2million consumers reached (Made in SA magazine)	(+0.2) million consumers
Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing “Buy Local” purchase behaviour	To increase awareness of Proudly SA (products and services), influence purchase behaviour in favour of local products, raise the profile of local products and educate consumers on the importance of buying local through: *PR and Below the line activities through Social Media, press releases, radio interviews and other PR related activities; *National Consumer Educational Road show through Consumer Activations (Education Through Edutainment); *Youth targeted Campaign, with radio stations of Tertiary Institutions and/ or youth targeted commercial and community radio stations (programs)	Reached more than 10 million people during 2020/21 Hosted 4 Activations during 2020/21 *18xCommunity/Youth campaigns undertaken in 2020/21	PR & Below the Line Activities reaching at least 10 million consumers per annum; At least 4 Activations hosted annually *8 x Campus/Community and/or youth targeted Radio interviews/competitions or advertising campaigns per annum	1 million consumers 0 2 Campus/Community and/or youth targeted Radio interviews/competitions or advertising campaigns	3.2 million consumers reached (refer to PR section of the report) - VOW, Durban Youth Radio, Madbaz Radio, Kowsie FM, MFM, UJFM, TUKS FM, UCT Radio (8)	(+2.2) million consumers - (+6) Campus/Community and/or youth targeted Radio interviews/competitions or advertising campaigns

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	*Consumer education programmes targeting basic education learners and/or tertiary students	*5x engagements undertaken during 2020/21	* At least one consumer education programme targeting basic education learners	0	Initial meeting with the team for Higher Education and Training Curriculum Development – follow up meeting scheduled for Q2	-
	*Proudly SA Events/Exhibitions/Expo's/Villages at trade expos;	* Participated in 13 expos and events during 2019/20 (non in 2020/21)	* Participation in at least 6 trade expos per annum.	2 trade expos	The Rand Easter Show, Decorex (CPT), House and Garden show (KZN), Mining Indaba, Manufacturing Indaba & TEA workshop (6)	(+4) trade expos
	*Sector specific expo showcasing Proudly SA products from at least one industry/sector	* New Activity	*Sector specific expo showcasing at least one industry/product	0	-	-
	*Increased awareness of the buy-local message and/or campaign during Heritage month	*Rolled out 2 major activities promoting Buy Local during Heritage Month in 2020/21	*Roll out of at least 1 Heritage month activity per annum.	0	-	-
	* Proudly SA CSI Projects	* Participated in 1 CSI project in 2020/21	* At least 1 CSI projects per annum	0	-	-
	*Buy Local Summit – focusing on buying local (consumer education)	*Annual Buy Local Summit held during 2020/21	*At least 1 Buy Local Summit to be held per annum (virtual or otherwise) with consumer education focused activities	0	-	-
	*Buy Local Expo – showcasing locally made products and services to consumers and procurement officials in both the public and the private sector	*Annual Buy Local Expo held during 2020/21	*At least 1 Buy Local Expo held per annum (virtual or otherwise) showcasing locally made products (and services) to consumers	0	-	-

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	<p>*Community/ Civil society targeted outreach programmes educating communities on the importance of buying local, through community leaders</p> <p>*Labour (organised) targeted outreach programmes educating labour organisations' members on the importance of buying local</p>	<p>*New activity (participated in the Nediac community roadshows in 9 provinces during 2021/22)</p> <p>*Presentations made to Fedusa, Sactwu and NuLaw conferences and workshops during 2020/21</p>	<p>*Reach at least one broad community focused group, with a national footprint per annum</p> <p>*Reach members in at least two labour federations and/or major unions, per annum</p>	0	-	-
Increase procurement of local products and services in the public sector through increased engagements with the public sector.	<p>Public Sector Local Procurement initiatives</p> <p>*Increase buy-in and support for local procurement by the public sector (all state organs) through:</p> <p>*Presentation to SOEPF (State Owned Enterprises Procurement Forum) per annum</p> <p>*Partnership with National Treasury on the education of procurement officials on the implementation of the public procurement regulations in support of local procurement for designated sectors in national, provincial & local government departments (including SOE's) to drive up local procurement within the public sector</p>	<p>*Participation in 1 SOEPF meeting in 2020/21</p> <p>*1 Presentation done at the Technical MinMEC in 2020/21</p> <p>*Hosted 4 Provincial Public Sector Procurement Forums during 2020/21.</p>	<p>*Participation in at least 1 SOEPF per annum</p> <p>*Presentation at 1 government's SCM forum with Heads of procurement from various national, provincial, and local government department, including SOE's</p>	0	-	-
	<p>*National, provincial, and local government forums – engagement with procurement practitioners in the public sectors</p>		<p>*At least 4 virtual Public Sector Procurement forums with NT</p>	1 public sector forum with NT	No public sector forum convened	The court ruling on preferential procurement regulations resulted in these forums also being postponed

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	*Presentation to officials in metropolitan councils – engage with local government on localisation	*New Activity	*Presentation to at least 4 metropolitan council procurement forums per annum	1 metro public sector forum	No metro forums convened	Same reason as above for public sector forums
	*Presentation to officials in municipalities/district – engage with local government on localisation and utilizing it as part of district's economic development	*New Activity	*At least 3 virtual Municipality/District focused Public-Sector Procurement forums in at least 3 provinces per annum	0	-	-
	Tender Monitoring – Number of tenders/RFPs identified by Proudly SA's system, issued for designated sectors/products by public sector entities	*5408 tenders/RFP's were identified in 2019/20	*At least 1 200 tenders/RFPs for designated sectors/products identified through the tender monitoring system per annum	300	1055 tenders tracked	(+755)
	CSD Integration – an integration of the Proudly SA database with National Treasury's CSD (Number of Proudly SA companies integrated with CSD)	*New Activity – introduced in 2019/20; integration did not take place in 2020/21	*Launch of integration of CSD with Proudly SA database, with at least 50 companies registered in Year 1 (2022/23)	0	*No member companies have been integrated with CSD to date	*Development work has been finalised for both the CSD and Proudly SA systems to synchronise. Proudly SA is finalizing its database for integration. Thereafter, National Treasury to confirm date of integration to take place
	*Buy Local Summit – focusing on local procurement (public sector focus)	*Annual Buy Local Summit held during 2020/21	*At least 1 Buy local Summit to be held per annum (virtual or otherwise) with public sector procurement focused entities	0	-	-

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	*Buy Local Expo – showcasing locally made products and services to procurement officials in the public sector	*Annual Buy Local Expo held during 2020/21	*At least 1 Buy Local Expo held per annum (virtual or otherwise) showcasing locally made products (and services) to procurement officials	0	-	-
Increase procurement of local products and services in the private sector through engagements with Business.	<p>National Educational Road shows:</p> <p>Increased buy-in and support for local procurement by the private sector. Working relationships with Apex business bodies and associations for their respective members to commit to Buying Locally produced products and services through:</p> <p>* Presentations to Apex business bodies, including Business Chambers, associations and/or industry events</p>	<p>*1 x presentation made to each BLSA, BUSA & BBC in 2020/21</p> <p>*Presented to 7 Business Chambers and/or associations in 2020/21</p>	<p>At least 1 presentation to the Apex business organisations e.g., BUSA, BBC and BLSA</p> <p>Presentations to at least 7 business chambers, associations and/or industry events per annum</p>	0	<p>Participating in BUSA's localisation committee monthly</p> <p>Presented to the South African United Business Confederation, the Medical Device Manufacturers Association of SA, the Franchise Association of South Africa, the Tourism Business Council of SA, the Consumer Goods Council of SA, the SA Maritime Business Chamber and the Women Economic Assembly (WECONA) EXCO to explore further collaborations</p>	(+5) Presentations made.

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	* Local Procurement Partnerships with large retailers and/or manufacturers	*Partnerships concluded with 12 major retailers/manufacturers in 2020/21	* Partnerships with at least 2 major retailers / manufacturers	0	PPC, SAPPI and Drager South Africa	(+3) Partnerships Concluded
	* Buy Local Summit – focusing on local procurement (Private sector)	* Annual Buy local summit held in 2020/21	*At least 1 Buy Local Summit to be held per annum - virtual or otherwise (as per.2 above)	0	0	-
	*Buy Local Expo – showcasing locally made products and services to the procurement officials in the private sector	*Annual Buy Local Expo held in 2020/21	*At least 1 Buy Local Expo held per annum -virtual or otherwise (as per 2 above)	0	0	-
	*Sector Specific Workshops/Forums	*2 sector specific forum hosted in 2020/21	*1 x sector specific engagement per annum	0	0	-
	*Business Forums/webinars with dtic and other strategic partners	*10 Business Forums held during 2020/21	*60 business forums and/or webinars per annum, targeted at the private sector	15 forums hosted	6 forums: Business Solutions webinars (4), New members meet & greet (1) & Local high tea event (1)	(-9) Target was not reached due to loss of Events Manager and the number of business forums / webinars outstanding, will be added into Quarter2.
	* Proudly SA Events/Exhibitions/Expos/Villages at trade expos	*Participated in 13 expos and/or events during 2019/20 (non in 2020/21	*Participation in at least 6 trade expos per annum (as per 1 above)	2 trade expos	The Rand Easter Show, Decorex (CPT), House and Garden show (KZN), Mining Indaba, Manufacturing Indaba & TEA workshop (6)	(+4) trade expos
	*Sector specific expo showcasing Proudly SA products from at least one industry/sector	*New Activity	*Sector specific expo showcasing at least one industry/product	-	-	-

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	<p>*Market Access programmes for locally made products and services aimed at driving transformation, and enabling greater inclusion and growth, as well as empowerment of designated groups. Possible utilization of MAP (Market Access Platform) for this purpose</p> <p>*Soliciting and securing of localisation and/or local procurement commitments from the private sector – number of sectors and companies from which commitments are secured.</p>	<p>*Hosted 2 workshops with Franchise Association of SA (FASA) to drive transformation in 2018/19</p> <p>*Localization commitments were obtained from 3 retailers, 1 raw materials supplier & 2 banks in 2019/20</p> <p>New Activity</p>	<p>*Roll out a transformation market access programme for the benefit of locally made products and services in at least one industry per annum</p> <p>*Secure new localisation commitments from at least 4 major corporates per annum</p> <p>*Development of database of buyers and/or SCM officers for purposes of hosting at least one local procurement workshop</p>	<p>-</p> <p>1 commitment secured</p> <p>0</p>	<p>-</p> <p>(1) Shoprite</p> <p>Database of buyers developed from the Consumer Goods Council of SA, Franchise Association of South Africa, the Tourism Business Council of SA, the Restaurant Association, and the Taverners Association; as well as one derived from the 2022 Buy Local Summit and Expo</p>	<p>-</p> <p>-</p> <p>(+1)</p>
	<p>*Provide support for the implementation of Import Replacement in key industries/products as per the highest imported items into the country, by value</p>	<p>*New Activity</p>	<p>*Participate in govt and/or business led Import Replacement initiatives for at least one key product per annum</p>	<p>-</p>	<p>Participating in the BUSA localisation committee's programmes, as well as the Localisation Support Fund</p>	<p>(+1)</p>

Key focus area: Increased uptake of Proudly SA Membership

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Retention and Recruitment Members	Number of members recruited and retained	241 approved new members during 2020/21 67% of all members due for renewal retained during 2020/21	Recruit at least 320 new members for the year Retain at least 80% of all members due for renewal for the year	80 80%	94 new members recruited in Q1 2022-2023 81%	(+14) additional members beyond the target for the quarter) Target Achieved and exceeded by 1% for the quarter.

Key focus area: Collaboration with Enforcement Agencies to contribute to efforts made to combat illicit trade and illegal imports

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Partnership with enforcement agencies (To contribute to the prevention of illegal imports, counterfeit products, dumping of unsafe products and under invoiced products)	*Develop partnerships with Intergovernmental State enforcement Agencies, and participation in multi- disciplinary process with key stakeholders	*Participated in 34 industry stakeholder forums in 2020/21	*Participation in at least 12 Customs and Excise industry stakeholder forums and national operations hosted by SARS	Participated in 3 Customs forums	Participated in 3 SARS forums: SARS downstream steel forum, SARS sugar and beverage industry forum, SARS plastic industry forum,	

Key focus area: Establishment and promotion of a database of South African made products and services

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
<p>Growing the database of South African supplier products and services for local procurement</p> <p>*Official Database for Local Products and Services to be utilized by all South Africans and all Government entities when procuring designated and local products</p>	<p>*Grow the number of companies registering on the database.</p> <p>*Promotion of database to both the public and private sector through workshops / regular communicate (this will include the promotion of other SA Made Products as per the designated sectors). Measured in terms of how many public institutions reached that are using the database</p> <p>*Database prompted at 10 provincial business forums during 2020/21</p> <p>*Presented to 8 Business Chambers and/or associations in 2020/21</p>	<p>*Database had 5 112 registered products and services in 2020/21</p> <p>*Database promoted at 4 provincial public sector forums in 2020/21</p> <p>*Promotion of database to at least 60 business forums and/or webinars targeted at the private sector per annum (as per 3 above)</p> <p>*Promotion of database to at least 8 business associations or chambers or at industry specific events (as per 3 above)</p>	<p>*750 new products and/or services registered per annum</p> <p>*Promotion of database to at least 4 public sector procurement forums – engagements (as per 2 above)</p> <p>15</p> <p>2</p>	<p>185 new products and services</p> <p>1</p> <p>Database promoted at six (6) business forums</p> <p>Presented to 6: South African United Business Confederation, the Medical Device Manufacturers Association of SA, the Franchise Association of South Africa, the Tourism Business Council of SA, the Consumer Goods Council of SA, the SA Maritime Business Chamber and the Women Economic Assembly (WECONA) EXCO</p>	<p>376 new products and services</p> <p>-</p>	<p>(+191) Target met and overachieved by 103%</p>

Key focus area: Brand Management, Brand Compliance and Intellectual property

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Brand research - Development of a scientific basis for local procurement	Existence of an Economic Impact Study to contribute to the increase in the uptake of local products and services and procurement by the public sector, private sector and consumers Bi-annual research as well as qualitative and quantitative research results as well as event or campaign dipstick surveys outcomes	*Brand and consumer awareness research conducted by Massmart during 2020/21 *12 Dipstick surveys done at events during 2020/21	*Brand or Consumer Research to be undertaken at least once a year * At least 60 x Dipstick surveys per annum conducted at Proudly SA events and exhibitions/ consumer outreach campaigns	0 15 dipstick surveys	Brand and Consumer Awareness Research done by the Thinc foundation No dipstick surveys	(+1) Research Conducted Management oversight due to departure of Events Manager. To be updated during subsequent quarters
Effective management of Proudly SA intellectual property	Percentage of successfully executed letters of demand and court actions against identified transgressors	Action taken against 100% of all identified companies and individuals using the logo illegally on products, marketing or other corporate material.	*Action/Letters of demand to all (100%) irregular users of the Proudly SA logo identified *Annual compliance reviews of all members *Monthly monitoring with Adams & Adams of companies that are using the Proudly SA phrase and logo illegally	100% 100% checked 100% contact with all identified companies	Confirmed Confirmed Confirmed	- - -

Key focus area: Media, PR & Social Media

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Strengthening Media and PR relations and Social Media	Daily, weekly, monthly monitoring of media coverage on the campaign and analysis thereof	Daily, weekly and monthly reporting	Media Monitoring Daily monitoring of media reports coverage on Proudly SA, its members and other stakeholders	100%	100% achieved.	-
	Number of published press releases prepared per month (Regular communication in print media aimed at members, media, government departments, consumers and other stakeholders)	49 press releases issued during 2020/21	Press releases At least 48 press releases and or opinion pieces per annum	12 press releases	5 press releases	(-7) Did not reach target due to the fact that our PR Manager left the employ of Proudly SA. Will intensify our efforts in the 2 nd Quarter to make up.
	Number of interactions with the media per annum Increased publicity and raising profile of Proudly SA. Part of 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	In excess of 68 media engagements held during 2020/21	Media Engagement: At least 48 media engagements per annum	12 media engagements	24 conducted (Refer to PR section of the report)	(+12) Media Engagements
		*2 media meet & greets held during 2020/21	Media Events: At least 4 media events networking sessions per annum (virtual)	1 media event networking session	3 media networking sessions: Gin media drops, wine media drops, KZN media blitz	(+2) Media drops done
Increased growth and awareness through Social Media platforms	Daily communication – Twitter, Facebook and Instagram. Increased activities during Campaigns. Increase following on social media platforms and increase in publicity in a very quiet month	*174 428 followers on Twitter, 28 205 on Facebook and 7 739 on Instagram at the end of 2020/21	* Increase following on all social media platforms by 2% per annum	2% increase on all social media platforms	2.4% increase on all social media platforms	(+0,4%) increase on all social media platforms

Key focus area: Improvement of accessibility and uptake of locally made products and services through online platforms

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
*Improvement of accessibility and uptake of locally made products (Official online shopping platform for Local Products, to be utilized by all online shoppers in SA and abroad wishing to buy locally made products)	*Grow the number of products registered on the online shopping platform (s) – percentage growth annually	*39% growth year on year in the number of products for 2020/21	*20 % growth in number of products and/or services registered on the platform (s) per annum	5%	3% growth quarter-on-quarter	Service Provider has not shared information April and May
	*Growth in sales of products on the online shopping platform (s)	*288% growth year on year in sales for 2020/21	*20% growth in sales on online platform (s) year on year	5%	67% growth quarter-on-quarter	Service Provider has not shared information for April and May

Key focus area: Driving consumer demand in support of the sectoral Masterplans

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
*Contribution to efforts aimed at driving up demand for locally made products linked to sectoral masterplans sectors (all sectors of society as per masterplans	*Implementation of activities, campaigns or programmes aimed at driving up consumer demand for locally made products in support of sectoral masterplans	*New Activity to be launched during 2020/21	* Implementation of sector specific campaigns/ activities in support of at least 4 sectoral masterplans per annum	1	-	-

Key focus area: Partnership with SEZs for promoting locally made products produced in the zones

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
*Improvement of accessibility and uptake of locally made products produced in the SEZs by all sectors of society (private sector, public sector and consumers)	*Number of SEZs that Proudly SA partners with for purposes of increasing Access-To-Market opportunities for locally made products and services from the zones	*New Activity to be launched during 2020/21	*Partnership secured with at least 2 SEZs per annum (Incl. the enlisting of the manufacturers from the industrial zones)	0	Secured a partnership with the Dube TradePort SEZ	

Key focus area: Financial Management

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Proper processing of all financial transactions on SAP and maintenance of records and supporting documents for audit purposes in compliance with relevant standards	Percentage of processing of all financial transactions done accurately and correctly at all times	Unqualified opinion received for 2020/21 AFS	Unqualified opinion/audit report for 2021/22 financial year end audit – Annual Financial Statements	100%	100%	-
Annual Strategic Risk Register	Approved Annual Strategic Risk Register and quarterly risk management reports	Approved Annual Strategic Risk Register and quarterly risk management reports	100% Compliance	100% Compliance	100%	-

Key focus area: Human Resources Management

Strategic goal						
Output	Performance Measure or Indicator	Baseline Information	Annual Targets for 2022/23	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Organisational structure is always aligned to organisational strategy	Extent (Percentage) of alignment of the functional organogram with the approved strategy	*Organisational structure fully aligned to the strategy	* Organogram with positions informed by the organisational strategy and aligned completely	100%	100%	-
	* Percentage of critical positions filled	*100% of all critical positions filled at all times, including within a reasonable time after they become vacant	* All (100%) critical positions filled at all times	100%	100%	-
Performance Management	Performance Management System to set and evaluate performance targets and levels every 3 months	Performance Management System in place. Organisational personnel target set at 70%	* Performance Agreements signed and all personnel assessed every 3 months during a 12-months Performance Cycle that runs from April 2022 to March 2023	100%	100%	-
Quality Management System in place	ISO 9001-based system in place and organisational activities in line with the system policies, processes, and procedures	Quality Management System in place and approved by SABS, with regular annual audits	QMS system based on ISO9001 of 2015 Standard in place and monitor continued compliance to the requirements	100%	100%	-
Compliance to Statutory Requirements	Comply with SARS, Employment Equity, and Occupational Health and Safety requirements	Full compliance with SARS, Employment Equity, and Occupational Health and Safety requirements.	Make monthly, mid-term and annual submissions with relevant institutions to fully comply with SARS, UIF, Employment Equity, and Occupational Health and Safety requirements	100%	100%	-

PFMA AND TREASURY REGULATIONS CHECKLIST

Corporate Management

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	49	Accounting Authority	In terms of section 49(3) the relevant treasury, in exceptional circumstances, may approve that a functionary other than the board or CEO be the AA of the public entity. In this regard, has the Auditor-General been informed in writing of any such approval or instruction?			X	The Board is the Accounting Authority of Proudly SA
2.	TR 27.3.1	Chief Financial Officer	In the case of a 3A or 3C public entity, has a chief financial officer been appointed to head the finance division?	X			
3.	56(1)	Delegations of Authority	Have the powers entrusted or delegated to the accounting authority been delegated to other officials within the public entity?	X			There is a Schedule of Delegated Authority in place and this has been approved by the Board
4.	51(1)(a)(i)	Internal Control	Does the public entity have: an effective, efficient and transparent system of financial and risk management and internal control?	X			The policies and processes are in line with best practice and are being modified where required to fully comply with the PFMA
	51(1)(a)(ii)		A system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77?	X			There is an outsourced internal audit function due to the size of the organisation and it reports to the Audit committee and complies with the provisions of sections 76 and 77
	TR 27.1.1		Is the audit committee a sub-committee of the accounting authority?	X			The audit committee is a sub-committee of the Board
	77(a)		Does the audit committee consist of at least 3 persons?	X			The audit committee has at least 4 members
	77(b)		Does the audit committee meet at least twice a year?	X			The committee meets at least twice a year annually and met 3 times in the previous financial year
	TR 27.1.6		Does the audit committee operate in terms of written terms of reference?	X			There are approved terms of reference for the Audit and Risk committee
	TR 27.1.6		Are the terms of reference reviewed at least annually to ensure its relevance?	X			The terms of reference are reviewed by the Audit committee annually

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	27.1.8		<p>Does the audit committee review the following:</p> <ul style="list-style-type: none"> • The effectiveness of internal control systems; X • The effectiveness of internal audit; X • The risk areas of the entity's operations to be covered in the scope of internal and external audits X • The adequacy, reliability and accuracy of financial information provided to management and other users of such information X • Any accounting and auditing concerns identified as a result of internal and external audits X • The entity's compliance with legal and regulatory provisions X • The activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations; and X • Where relevant, the independence and objectivity of the external auditors. 				The Audit Committee considers and approves the Audit plans of both the outsourced Internal and External Audit functions which detail all the information referred to herein, as well as all the findings and recommendations of the auditors in respect of this
	TR 27.1.10(a)		Does the audit committee report and make recommendations to the accounting authority?	X			The Audit committee does report and make recommendations to the Board on a quarterly basis
	TR 27.1.13		Does the audit committee meet annually with the Auditor-General or external auditor to ensure that there are no unresolved issues of concern?	X			The Audit committee meets with the external auditors prior to and after completion of external audits

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 27.2.1		<ul style="list-style-type: none"> Are risk assessments conducted regularly to identify the public entity's emerging risks? Does the public entity have a risk management strategy (including a fraud prevention plan) to direct internal audit effort and priority and to determine the skills required of managers and staff to improve controls and to manage these risks? If there is a risk management strategy, is it communicated to all employees? 	X			<ul style="list-style-type: none"> Risk Assessment is done annually and the Risk Register is updated annually and reviewed quarterly The company has a Risk Management Strategy and this informs the Risk Management Register. There is an approved Fraud prevention plan and Whistleblowing policy All staff participate in the organisational Risk Management workshops
	TR 27.2.5		Are the purpose, authority and responsibility of the internal audit function defined in an audit charter?	X			The purpose, authority and responsibility of Internal Audit is contained in the Internal Audit charter
	TR 27.2.6		Is internal audit conducted in accordance with standards set by the Institute of Internal Auditors?	X			Internal Audit is conducted in accordance with required standards, and this is checked when the internal auditors are appointed
	TR 27.2.7		Has the internal audit function prepared a three-year strategic internal audit plan based on the risks facing the public entity? Does the internal audit function report to the audit committee detailing its performance against the plan?	X			The Internal Audit plan approved by the Audit committee is a rolling 3-year plan All internal audit reports are tabled at the Audit Committee and the Auditor's report to the committee on all their work, including tabling their quarterly progress against the approved audit plan
	TR 27.2.10		Does the internal audit function evaluate the following: <ul style="list-style-type: none"> The information systems environment; The reliability and integrity of financial and operational information; The effectiveness of operations; Safeguarding of assets; and Compliance with laws, regulations and controls 	X			As part of the annual Internal audit plans, the areas referred to herein, are included for audits. They are therefore evaluated (audited) annually and reported once these specific audits are concluded

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
5.	51(e)	Financial Misconduct	<p>Have effective and appropriate disciplinary steps been taken against any employee of the public entity who has:</p> <ul style="list-style-type: none"> • Contravened or failed to comply with a provision of the PFMA • Committed an act which undermined the financial management and internal control system of the public entity • Made or permitted irregular or fruitless and wasteful expenditure 		X	N/A	No employee has committed any of the offences listed herein
	86(2)		Has the accounting authority been found guilty of an offence or is there any investigation pending relating to the willful or negligent failure to comply with the provisions of sections 50, 51 or 55?		X		
	TR 33.1.1		Have any employees of the public entity committed financial misconduct?		X		
	TR 33.1.2		If so, was the investigation instituted within 30 days?			X	
	TR 33.2.1		Is the Executive Authority, Auditor-General and relevant treasury advised if any criminal charges that have been laid against persons for financial misconduct?			X	If any criminal charges are instituted for financial misconduct, the Executive Authority will be advised accordingly
	TR 33.3.1		<p>Is the Executive Authority, Auditor-General and relevant treasury provided with a schedule detailing:</p> <ul style="list-style-type: none"> • The outcome of any disciplinary hearings and/or criminal charges; • The names and ranks of employees involved; and • The sanctions and any further actions taken against these employees. 			X	The reports on any disciplinary hearings held are reported to the Accounting Authority through the relevant subcommittee (HR and Remunerations Committee).

PFMA for Public Entities: Planning and Budgeting

	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
52	Annual budget, corporate plan and shareholder's compact by Schedule 2 public entities and government business enterprises	<p>Did the accounting authority submit the following to the relevant treasury and to the accounting officer of the department at least one month before the start of the public entity's financial year:</p> <ul style="list-style-type: none"> • a projection of revenue, expenditure and borrowings for the financial year in the prescribed format; and • a corporate plan in the prescribed format covering the affairs of that public entity or business enterprise for the following three financial years, and if it has subsidiaries, also the affairs of the subsidiaries. 	<p>x</p> <p>x</p>			<ul style="list-style-type: none"> • The budget and cash flow for the financial year were submitted to the dti on time • The Board has approved the Strategic Plan and it was submitted to the dti and a Business plan was developed based on the approved Strategic plan.
TR 29.1.1		<p>Does the corporate plan include the following:</p> <ul style="list-style-type: none"> • strategic objectives and outcomes identified and agreed upon by the executive authority in the shareholder's compact; • strategic and business initiatives as embodied in business function strategies; • key performance measures and indicators for assessing the entity's performance in delivering the desired outcomes and objectives; • A risk management plan • A fraud prevention plan • a materiality/significant framework, referred to in Treasury Regulation <ul style="list-style-type: none"> • 28.1.5; • a financial plan addressing – <ul style="list-style-type: none"> o revenue, expenditure and borrowings; o asset and liability management cash flow projections; o capital expenditure programmes; and o Dividend policies 	<p>x</p> <p>x</p> <p>x</p> <p>x</p> <p>x</p> <p>x</p> <p>x</p>			<ul style="list-style-type: none"> • The approved strategic plan and business plan has been submitted to the dti as the Executive Authority • This is built into the approved strategic plan • Risk Management plan exists • Fraud prevention plan approved • Materiality is determined prior to and during external audits • This is part of the corporate plan submitted to the Executive Authority after approval by the Board as the Accounting Authority

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 29.2.		Does the public entity conclude a shareholder's compact with the executive authority on an annual basis? If yes, does the shareholders compact document the mandated key performance measures and indicators to be attained as agreed between the accounting authority and the executive authority?	X X			A memorandum of Association (MoA) has been concluded and signed with the dtic The draft MoA does detail the key performance measures and the indicators to be attained
2.	53(1)	Annual budgets by non-business Schedule 3 public entities	Did the accounting authority submit a budget to the executive authority for his or her approval at least six months prior to the start of the financial year of the department designated by the executive authority? Was the budget submitted to the executive authority via the accounting officer of the department designated by the executive authority?	X X			Specific to Schedule 3 non-business entities, however Proudly SA does submit its budget to the dtic as required as per the MoA Specific to Schedule 3 non-business entities and not applicable to Proudly SA, however Proudly SA does submit its budget to the dtic as per the MoA
	53(3)		Did the public entity budget for a deficit or accumulate a surplus without approval of the National Treasury?		X		Specific to Schedule 3 non-business entities and not applicable to Proudly SA however, Proudly SA does not budget for a deficit
	TR 30.1.1		Did the accounting authority submit a proposed strategic plan to the executive authority for his or her approval at least six months before the start of the financial year of the department designated by the executive authority? Was the final strategic plan submitted to the executive authority before 1 April?			X	Specific to Schedule 3 non-business entities and not applicable to Proudly SA, however a strategic plan was submitted as per the MoA Final strategic plan submitted as per requirements contained in the MoA

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 30.1.3		<p>Does the strategic plan:</p> <ul style="list-style-type: none"> • cover a period of three years; • include objectives and outcomes as identified by the executive authority; • include multi-year projections of revenue and expenditure; • include performance measures and indicators for assessing the public entity's performance in delivering the desired outcomes and objectives; and • include the materiality/significant framework, referred to in Treasury Regulation 28.1.5. 	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>			<p>The Strategic plan approved by the Board does cover all the areas as required by the Treasury Regulations</p>
			Is the strategic plan updated on an annual basis?	X			

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 29.1.3 TR 29.1.6		<p>Did the public entity submit a corporate plan and borrowing programme to the relevant treasury? (Schedule 2, 3B and 3D entities only)</p> <p>If a borrowing programme was submitted, did it include?</p> <p>The terms and conditions on which the money was borrowed?</p> <ul style="list-style-type: none"> Information on proposed domestic borrowing; Information on proposed foreign borrowing (national entities) Short and long term borrowing; Borrowing in relation to a pre-approved corporate plan The maturity profile of the debt; The confirmation of compliance with existing and proposed loan covenants; Debts guaranteed by the government; Motivations for government guarantees, if required; and The executive authority's approval of the borrowing programme, if required by the legislation in terms of which the entity was established. 			X	Proudly SA is not a Schedule 2, 3B or 3D entity and does not borrow any funds
	TR 32.1.1		<p>Did the public entity borrow money for bridging purposes? If yes:</p> <ul style="list-style-type: none"> Was approval obtained from the Minister of Finance? Was the debt repaid within 30 days from the end of the financial year? 	X		X	No money borrowed by the campaign for any purposes, including for bridging purposes

PFMA for Public Entities: Reporting

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	TR 26.1.1	Quarterly Reporting	Does the public entity submit information on its actual and projected revenue and expenditure to the designated accounting officer within 30 days from the end of each quarter? (Schedule 3A and 3C entities)	X			Proudly SA is not a Schedule 3A or 3C entity, but does submit quarterly reports with the required information to the dtic as per the MoA (30 days from the end of each quarter)
	TR 26.1.2		Does the public entity report quarterly to the executive authority (via the designated accounting officer) on the extent of compliance with the PFMA and Treasury Regulations? (Schedule 3A and 3C public entities)	X			Proudly SA is not a Schedule 3A or 3C entity, but does submit quarterly reports with the required information to the dtic
	TR 29.3.1 TR 30.2.1		Has the public entity established procedures to report quarterly to the executive authority in relation to progress made against achieving the targets set out in the strategic and corporate plan?	X			Proudly SA is required in the MoA to submit quarterly reports to the dtic, as per the template provided. The quarterly report sets out the progress made against achieving the set targets as contained in the APP
2.	55	Annual report and financial statements	Did the public entity submit the following to the relevant treasury, executive authority and Auditor-General within 5 months from the end of the financial year: <ul style="list-style-type: none"> An annual report on the activities of the public entity during that financial year; The financial statements for that financial year after the statements have been audited; The report of the auditors on those statements. 	X X X			The Annual Report, Annual Financial Statements and the Auditors report on the financial statements, are all submitted to the dtic on time, as required in the MoA

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
			<p>Does the public entity's annual report and financial statements fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned?</p> <p>Does the annual report and financial statements include:</p> <ul style="list-style-type: none"> Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year; Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; Any losses recovered or written off; Any financial assistance received from the state and commitments made by the state on its behalf; The financial statements of subsidiaries. 	X			The Annual Report and Annual Financial Statements fairly presents the information referred to herein
	65		<p>Did the executive authority table the annual report and financial statements within one month after the accounting authority received the audit report?</p> <p>If no, did the executive authority table an explanation in the Legislature setting out the reasons why the annual report and financial statements were not tabled?</p> <p>Does the annual report contain a disclosure to the effect that the audit committee has adopted a formal terms of reference</p>	X		X	<p>The Executive Authority is not obliged to table this as Proudly SA is not a public entity, however the Annual report is submitted to the dtic to enable the Minister to table this if the need arises</p> <p>Proudly SA does not have any subsidiaries</p>
	TR 27.1.7			X			This disclosure was included in the Governance section in the Annual Report as the audit committee has an approved set of Terms of references
	TR 27.1.10		Did the audit committee comment on its evaluation of the public entity's financial statements?	X			The Audit committee does comment on the public entity's financial statements in the AFS contained in the Annual Report

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 28.1.1		Does the financial statement include a report by the accounting authority that discloses the emoluments of all directors and executive members of the public entity and its subsidiaries?	X			
	TR 28.1.2		<p>If yes, to above, does the disclosure include?</p> <ul style="list-style-type: none"> • Fees for services as a director or executive member; • Basic salary; • Bonuses and performance related payments; • Sums paid by way of expense allowances; • Contributions made to any pension fund, medical aid, insurance scheme, etc.; • Any commission, gain or profit sharing arrangements; • Any share options, including their strike price and period; and • Any other material benefits received. 	X X X X X		X X X	No commission, gain or profit sharing applicable No share options as there is no shareholding No other material benefits received by the directors and executive members
	TR 28.1.3		Has your public entity adjusted its financial year in accordance with the table in TR 28.1.3?			X	Not applicable, as Proudly SA's financial year is in line already – 31 March
	TR 28.2.1		Does the annual report provide details of the materiality/significant framework applied during the financial year?	X			

PFMA for Public Entities: Cash Management, Banking and Investment

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	51(1)(b)(iii) TR 31.1	Cash Management	<p>Are systems, procedures and processes in place in the public entity to ensure efficient and effective banking and cash management, which includes?</p> <ul style="list-style-type: none"> • Collecting and banking revenue promptly • Making payment no earlier than necessary with due regard for efficient, effective and economical programme delivery and the public entity's normal terms for account payments; • Avoiding prepayments for goods and services unless required by the contractual arrangements with the supplier; • Accepting discounts to effect early settlement; • Pursuing debtors with appropriate sensitivity and vigor to ensure that amounts receivable by the public entity are collected and banked promptly; • Accurately forecasting the public entity's cash flow requirements; • Timing the in and out flow of cash; • Recognizing the time value of money, i.e. economically, efficiently, and effectively managing cash; 	X			Proudly SA is not a public entity but conforms to best practice as prescribed by the PFMA and Treasury Regulations for its banking and cash management

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
			<ul style="list-style-type: none"> • Taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the optimum level for efficient and effective programme delivery, and selling surplus or under-utilized assets; • Performing bank reconciliations at least weekly; • Making regular cash forecasts; and • Alignment of the approved budget with monthly cash flows; • Variance analyses of actual cash flow with the approved budget 	X X X X X			
2.	TR 31.2.1	Banking	Does the public entity submit a list of all its banking accounts to the National Treasury by 31 May of each year?	X			The campaign submits its list of bank accounts to the dtic as per the MoA
3.	TR 31.3.1 TR 31.3.2	Investment	Does the public entity have an investment policy? If yes to the above, does the investment policy include the: <ul style="list-style-type: none"> • selection of counter-parties through credit risk analyses; • establishment of investment limits per institution; • establishment of investment limits per investment instrument; • monitoring of investments against limits; • reassessment of investment policies on a regular basis; • reassessment of counter-party credit risk based on credit ratings; and • reassessment of investment instruments based on liquidity requirements. 			X	The Proudly SA campaign does not have enough long-term cash reserves to enable it to invest. Any surplus funds are placed in Call accounts with the highest rate of returns, as negotiated with the banking institution where the funds are kept.

PROGRESS ON ACTIONS IN THE RISK REGISTER - 31 MARCH 2022

STRATEGIC RISK REGISTER 2022/23	
High Level Definition	Initiatives Or Planned Strategies To Enhance Control Adequacy
1. A significant portion of revenue generated by Proudly South African is from the annual grant received from the Department of Trade, Industry and Competition (DTIC), this poses a risk as there is no diverse income streams and thus reliance is placed on a single funder.	<ul style="list-style-type: none"> Proudly South African should explore other funding sources within the Public Sector (e.g. government departments, agencies and DFIs) Development of a Membership Target/Hit-list of high value leads across all sectors, supported by a stronger value proposition Diversification of income streams (membership fees, trade exchanges and partnerships/sponsorships for individual properties) Exploring donor funding/enterprise development programmes. Entered into Trade Exchange/partnership agreements with the 3 major broadcasters
2. Resistance to change in buying behaviour. This is linked to limited means, as well as perceptions related to quality and price.	<p>Public Sector</p> <ul style="list-style-type: none"> Continue with virtual public sector procurement forums/workshops in partnership with NT, DTIC, provincial MECs, SABS and AGSA targeting public sector procurement officials SOEPF participation and presentations Integration of Proudly SA membership database with CSD Tender Monitoring to continue for procurement of designated items <p>Private Sector</p> <ul style="list-style-type: none"> Source and grow Local procurement/ Localisation Commitments (in partnership with organised business, organised labour and civil society initiatives with corporate SA). Sector specific initiatives (incl. forums) Grow membership of the campaign and base of localisation driven companies. Maintain procurement portals, including the matchmaking Localisation SCM platform - MAP (Market Access Platform). Localisation PR Roadshow (Multiplier Effect research). <p>Consumers</p> <ul style="list-style-type: none"> Expand on consumer education campaigns, incl. introducing a new TV advert, Proudly SA walk, Fashion Show for LFP Drive end-user demand to support Masterplans (sector specific campaigns). Partnerships with Radio Stations Intensify labour programme (Shop-stewards involvement) Broaden the base of friends of the campaign Partnerships with civil society and faith-based organisations. Intensify consumer education drive (Game Time/Living Lekker Locally and partnership campaigns with Presidency). Roll out buy local campaigns in tertiary institutions and inclusion in school syllabus Intensify PR drive (Producers' and Editors' Plan - Incl. Roadshow)

STRATEGIC RISK REGISTER 2022/23

	High Level Definition	Initiatives Or Planned Strategies To Enhance Control Adequacy
3.	Lack of high value members especially with retailers & manufacturers	<ul style="list-style-type: none"> Introduction of Retail specific strategies - FMCG, furniture, CTFL to grow levels of local content on their shelves and run buy local activities (especially in-store, on marketing collateral and on house brands). Identified local producers and targeted as part of the membership target/hit-list. Partnership with industry bodies (incl. CGCSA) to help us reach retailers and wholesalers (formal and independent), as well as manufacturers. Drive a member education programme to encourage members to use the logo on their products. Implementation of a private sector focused procurement module, Market Access Platform (MAP) to increase uptake of locally made products for the benefit of members Creating networking opportunities for local producers (e.g. Wines Expo, FASA procurement workshop) Linking of localisation to the provisions contained in the BEE scorecard
4.	Lack of tools/resources to measure the impact of the work and programmes implemented by Proudly SA	<ul style="list-style-type: none"> Continue with the research measuring the impact of the campaign and its programmes on an annual basis.
5.	Perceived lack of brand value by some potential members and resultant shortage of products and suppliers.	<ul style="list-style-type: none"> Messaging unpacking the value of Proudly South African Building partnerships to drive localisation message Sustained brand visibility through partnerships Linking of localisation to BEE Scorecard Development of industry specific strategies and partnerships with industry bodies and dtic sector desks. Development of a sector specific hit-list, as well as reliance on masterplans for increased access to local producers. Concluding partnerships with industry bodies, bargaining councils and SEZs. Roll out sector specific campaigns and member focused campaigns (Living Lekker Locally)
6.	High-level Operational Risks	<ul style="list-style-type: none"> Strengthening of Control Environment, including Digitization of the processes of the organisation, as well as enhancing Business Continuity plans. Ability of all staff to work remotely (all staff adequately resourced) for Covid-19 period and to prepare for any eventuality.
7.	The impact of the provisions of POPIA and the implementation thereof on operational efficiencies and campaign programmes	<ul style="list-style-type: none"> New area of responsibility - continuously reviewing controls introduced and amendment of existing policies, procedures and forms to incorporate the POPI provisions, aimed at receiving consent from Data Subjects, where required.
8.	Lack of procurement of locally made products and services by the public sector (across all spheres of government)	<ul style="list-style-type: none"> Reinstate public sector procurement forums (workshops) with NT, DTIC, SABS, AGSA and provincial MECS Lobby for review of specifications of items purchased by government to align them with the current local manufacturing landscape or capability in the country Linking of localisation to provisions contained in the BEE scorecard for the benefit of local producers during tendering processes. Development of a database of approved products for use by SOEs for technical or speciality products

Draft Audit Findings – 2021/22

No	Finding	Corrective Action (Plan)	Status
1.	VAT Receivable Overstated	Management to reconcile year-end balances to ensure that they are supported by sufficient and appropriate supporting documentation	In-progress
2.	Incorrect classification of finance costs	Management to enhance monthly reconciliation of ledger accounts to ensure that incorrect classifications are timeously identified and corrected.	In-progress
3.	Incorrect disclosure of changes in estimates	Annual Financial Statements were adjusted accordingly	Completed

FINANCIAL REPORT

Financial report - expenditure vs budget (Quarter 1 – 1 April - 30 June 2022)

Description of item	Budget for the quarter (Q1) Rands	Actual for the quarter (Q1) Rands	Variance for the quarters (Q1) Rands	% Variance	Reason for Variance	Annual Budget Rands	YTD Actual (30 June 2022) Rands	YTD Variance (31 March 2022) Rands
INCOME								
Membership Fees	1,487,631	706,493	(781,138)	(53%)	Various leads are being followed up	5,950,520	706,493	(5,244,027)
Grant – the dtic	20,000,000	20,000,000	0	0%		4,153,000	20,000,000	(21,530 000)
Project based funding - UNOPS	0	0	0	0%		0	0	0
Sponsorship	0	0	0	0%		10,000,000	0	(10,000,000)
Other Income	0	258,787	258,787	-	Interest income & sale of promotional items	0	258,787	258,787
Total Income	21,487,631	20,965,280	(522,351)	(2%)		57,480,520	20,965,280	(27,516,240)
EXPENDITURE								
HR and Staffing costs	6,656,287	6,206,885	449,402	7%	Timing difference due to the lead time in the recruitment processes	27,407,883	6,206,885	21,200,998
Administrative costs	1,426,073	1,386,127	39,946	3%	Spending within limits	6,555,446	1,386,127	5,169,319
Membership costs	114,223	28,756	85,467	75%	Cost cutting exercise undertaken	456,895	28,756	428,139
Marketing costs	789,806	1,014,791	(224,985)	(28%)	Timing nature of certain cost elements	21,287,253	1,014,791	20,272,462
Capital Expenditure & IT	182,354	315,011	(171,657)	(94%)	Timing nature of certain cost elements	1,773,043	315,011	1,458,062
Total Expenditure	9,168,743	8,951,570	178,173	2%		57,480,520	8,951,570	48,528,980

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