



PROUDLY
SOUTH AFRICAN



QUARTERLY **REPORT**

1 JANUARY - 31 MARCH 2020

Quarter 4

2019/20 Financial Year



PROUDLY SOUTH AFRICAN
Quarterly Report for Q4 (1 January to 31 March 2020)

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: ___/___/2020	Rank: Chairperson	Date: ___/___/2020

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A C R O N Y M S

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
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
DTIC	Department of Trade and Industry, a national government department in the Republic of South Africa.
The Summit	The Local Procurement Summit & Expo.
UN	The United Nations

EXECUTIVE SUMMARY

The quarter in review is one which typically starts off slowly in South Africa, as people return from the long December/January holidays. It is also one in which we focus on putting finishing touches to our annual flagship event, the Proudly South African Buy Local Summit & Expo, which was scheduled to take place on 23 to 24 March 2020. After the President's address on Sunday 15 March, declaring the COVID-19 pandemic as a national disaster, we took the inevitable decision to postpone the event, and to mitigate any financial losses as far as possible.

However, a regular schedule of meetings, presentations and events was rolled out during Quarter 4 including the last provincial business and public sector forums of the fiscal year's cycle. The former were held in Free State, Limpopo and Mpumalanga and the latter in Free State and Mpumalanga.

The CEO participated in three Jobs Summit Presidential Working Committee meetings, held on the first Monday of the month and chaired by the President, and presented progress updates on local procurement work being done by the Campaign. As a result, Proudly SA has been co-opted into BUSA's committee that is working on ensuring that business meets its local procurement related deliverables as contained in the Jobs Summit Framework Agreement.

In related engagements, Proudly SA met during the quarter under review with the Banking Association of SA, together with its preferential procurement (ESD) committee where all six major banks are represented by their Group Heads of Procurement. A possible industry level local procurement commitment from the banking industry was discussed, which will feed into the local procurement commitments required from business resulting from the Jobs Summit.

We have now finalised the integration of Proudly SA's membership database with government's

Central Supplier Database, enabling our members that want to do business with government to do so. The vetting and approval process required to qualify for membership of the Campaign means that all companies are necessarily compliant with the majority of the requirements of the CSD. The integration is estimated to go-live during Quarter 1 of the new financial year, bar any delays resulting from the lockdown during which all non-essential workers on whom the process depends will be absent from their offices.

During the quarter in review, Proudly SA also began preliminary work of introducing an online private sector procurement portal which will enable the private sector to advertise their tenders/procurement opportunities to local manufacturers only.

After many months of discussions, we finally concluded a partnership agreement with the SABC during this quarter which will see a consumer targeted education campaign rolled out on all their radio, tv and online platforms over the next three years.

The challenges brought about by COVID-19 including concerns around security of supply have strengthened the need to fast track the re-industrialisation of the South African economy, and localisation has to be at the heart of this drive. The campaign will therefore intensify its efforts in securing local procurement commitments in the private sector, strengthening compliance with local procurement regulations in the public sector and through, amongst others, the SABC partnership, educating consumers about the economic impact of buying local. Our partnerships with each of the Nedlac social partners will also be critical during the post Covid-19 lockdown period.

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 30 March 2020 and considered the following:

- The Chairman provided a report on the strategic activities that he had undertaken during the last quarter. This included a meeting with the Director-General of the DTIC;
- The Chairman updated the Board on the process taken following the allegations of impropriety received through the anonymous Tip Offs line. An external forensic investigation looking into the allegations was undertaken, and it absolved all members of the Management team from any wrongdoing.
- The Board approved the Quarterly Report and approved its submission to the DTIC.
- The Board reviewed and adopted the Annual Performance Plan and approved its submission to the DTIC.
- The Board assessed the projected Budgets for 2020-2021 and noted the recommendation from FINCO to adopt them. The Board adopted the budget however the Board noted that the COVID19 pandemic and lockdown would likely have an impact on grant funding and membership fees, and therefore agreed to review the budget again at the next meeting.
- The Board approved the recommendations from both the Finance and Procurement Committee as well as the Audit and Risk Committee to appoint Rain Chartered Accounts as the External Auditors for the organisation. The Board reviewed the recommendation and agreed that Rain Chartered Accountants were suitably qualified to provide the External Audit function and agreed to approve their appointment subject to approval from the Auditor-General's Office.
- The Board considered the recommendation from the HR and Remunerations committee for annual staff inflationary adjustments, and considering the current economic climate and possible ramifications of the COVID-19 pandemic on the economy, recommended that the HR Committee reconsider their proposal and table a revised proposal to the Board.

3.2) AUDIT AND RISK COMMITTEE

The members of the Audit and Risk committee held their meeting on 18 March 2020 and the meeting considered the following:

- The Committee reviewed the Terms of Reference of the Committee.
- The Committee received Internal Audit Reports on HR and on Supply Chain Management.
- The Committee received and evaluated the Strategic Risk Register for the next 3 years.
- The Committee recommended the appointment of Rain Chartered Accountants as the External Auditors, for the next three years subject to the annual approval by the office of the Auditor General.

3.3) Finance and Procurement Committee

The members of the Finance and Procurement Committee held their meeting on 18 March 2020 and the meeting considered the following:

- The Committee evaluated the Budget for 2020-2021 and approved it for submission to the Board.
- The Committee noted the management accounts and cash flow. The Committee noted that the postponement of the Buy Local Summit and Expo would influence the cash flow.
- The Committee recommended the appointment of Rain Chartered Accountants as the External Auditors for the next three years subject to the annual approval by the office of the Auditor General

3.4) MEMBERSHIP, MARKETING AND COMMUNICATIONS COMMITTEE

The members of the Membership, Marketing and Communications Committee held their meeting on 13 March 2020 and the meeting considered the following:

- The implications of the COVID-19 Pandemic on the upcoming Buy Local Summit and Expo.
- The organisation would assist the Government with the dissemination of information issued by Government on COVID-19.
- The Board would monitor the implications of the possible lockdown on the labour force and the economy.
- The organisation should promote local manufacturers and leverage opportunities for local production.
- The Committee was appraised of the challenges experienced in obtaining local procurement commitments from the business sector and the Committee suggested possible interventions.
- The CEO was in the process of engaging the manufacturing sector to present Local Procurement Commitments to the President at the Buy Local Summit and Expo.
- The Committee reviewed and approved the Annual Performance Plan for submission to the Board.
- The Committee received the Membership Report and noted the new members like Mara Phones, Italtile and Mr. Price.
- The Committee received the Tender Monitoring Report.
- The Committee received the Marketing Report on activities held during the quarter.
- The Committee noted the work that the organisation was doing in respect of the various masterplans and how this work could be expanded.
- The Committee received a detailed report on the plans, programmes and speakers for the Buy Local Summit and Expo.

3.5) HR AND REMUNERATIONS COMMITTEE

The members of the HR and Remunerations Committee held their meeting on 18 March 2020 and the meeting considered the following:

- The Committee received and noted reports on staff profile, movements, training and development as well as staff retention.
- The CEO noted the organogram, the vacancies and the plans to fill the vacancies.
- The Committee noted the annual inflationary adjustments for staff and agreed to recommend the following which was in line with the Public Sector Wage Agreement to the Board.
 - 6.1% for staff
 - 5.6% for middle management
 - 5.1% for executives

3.6.) SOCIAL AND ETHICS COMMITTEE

The members of the Social and Ethics Committee held their meeting on 27 March 2020 and the meeting considered the following:

- The PAIA Manual was approved with suggested amendments.
- The Checklist was reviewed and amendments suggested.
- The Committee requested a list of Declaration of Interests by Staff Members for remunerated work outside of the organisation.

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 fourth quarter of the 2019/20 financial year.

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

- Above the Line activities reached more than 5 million consumers through the:
 - SONA interviews,
 - GCIS collaborations on multiple platforms,
 - Buy Local Summit and Expo media launch,
 - SABC MOU announcement on TV and radio platforms,
 - Buy Local Summit and Expo digital rollout, social media, celebrity participation, as well as
 - Pre and post event advertising
- Below the Line activities reached more than 3 million consumers through the:
 - Buy Local Summit and Expo pre-event press releases
 - CEO weekly column
 - Generic press releases, and
 - Opinion pieces issued during the quarter
- Our annual consumer activation, the Valentine's Day Activation, was hosted at the Sandton Gautrain Station (in collaboration with Nestle and Gautrain);
- Proudly SA participated in three (3) Expos namely Meetings Africa, Township Innovation Summit and Tsogo Sun Entrepreneurship Programme
- Although two (2) consumer targeted campaigns with radio stations were planned for Q4, three (3) were done namely Cliff Central, GCIS Media engagement and Media24 – CPT
- Although one (1) Provincial Public Sector Forum was planned, two (2) took place namely Free State and Mpumalanga (as the latter had been postponed during Q3)
- Although one (1) Business Forums was planned, three (3) took place namely Free State, Limpopo and Mpumalanga (the latter two (2) were postponed during Q3 at the request of provincial government)
- Proudly SA continued with its tender monitoring system where tenders issued in the public sector for designated items are checked for compliance with local content provisions. 266 tenders/requests for proposals were identified in Q4 whereas the target was 300
- Although one (1) presentation was planned at a business chamber for the quarter, two (2) were done at the Procurement Committee of the Banking Association of SA (BASA) and one at the Chartered Institute of Procurement and Supply (CIPS), a professional body to which heads of procurement in both the private and public sector affiliate
- Partnerships aimed at strengthening our work in the private sector were intensified through participating in programmes and activities with two (2) business associations, the first one being with BUSA (jointly formed a local procurement committee) and the second one being the CEO's presentation at the Black Business Summit hosted by the Black Business Council;
- The campaign managed to secure 3 new partnership/membership deals with major retailers/manufacturers, namely Trellidor, USC Metering and Aberdare Cables
- One (1) new localization commitment from a major corporate was targeted for Q4, however three (3) were received namely from Vitafoam, OBC Retail and Sasol
- Proudly SA presented to 11 industry bodies in SARS led Customs & Excise Industry Forums (alcohol, footwear, beverages, petroleum, poultry, tyre, scrap metal, downstream steel, tobacco, plastics & sugar).
- The average increase in following on the three (3) social media platforms is in excess of the targeted 2.0%
- Two (2) dipstick surveys were planned but three were conducted at the three (3) Provincial Business Forums hosted during this period
- Sixteen (16) press releases were issued to mainstream media during the quarter.

4.2) 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 fourth quarter of the 2019/20 financial year, and below are some of the areas where the campaign fell short for the quarter:

- Proudly SA's flagship event, the Buy Local Summit and Expo which was planned for Q4 did not take place due to the COVID-19 pandemic being declared a national disaster, which meant that lockdown regulations had to be imposed on the country, and resulted in the event being postponed until March 2021;
- The target of recruiting 55 new members was not achieved as only 44 new members were recruited, due to the challenges brought about by the COVID-19 regulations which affected operations during the last month of the quarter under review;
- The target of 80% membership retention/renewal rate was not achieved as only 67% was achieved, mainly due to the fact that the renewal process remains a time bound one as various compliance documents are required. The process can take at least 3 months to complete in its entirety. With the tough economic climate, members are renewing at a much slower pace.
- No member companies have been integrated with CSD to date as National Treasury requested that an MoU be concluded first prior to going-live.
- The SA Premier Business Awards, normally hosted by the DTIC, where Proudly SA and Brand SA play a supportive role did not take place during the current financial year;
- Ten (10) media engagements were planned but only nine (9) took place due to the slowing down of all activities and engagements during the latter part of the quarter;





4.3) MEMBERSHIP REPORT FOR Q4 2019/20

Overview

Although the growth of the membership base reached an unexpected plateau in quarter 4, the number of enquiries received suggests there will be an improvement in reaching next quarter's target. Only 44 companies attained membership in quarter 4; therefore, the target of 55 new members was not reached. The Proudly South African Campaign continues to grow in that there are 1,720 active member companies. Members acquired according to the classifications include the following: 37 SMMEs, four diamond members including USC Metering, Aberdare Cables, Trellidor Holdings and Taylor Blinds & Shutters and one platinum member in Oyster Plastics.

Leads were generated relatively equally through referrals from stakeholders including members, sponsors of the Campaign and strategic partners, events in which Proudly SA participated, consultants' own leads as well as direct contact made with the Campaign by interested companies.

Members were acquired in five out of the nine provinces including Gauteng, KwaZulu-Natal, the Western Cape, Mpumalanga and the North West.

Companies in the manufacturing sector remains the strongest sector to join at 22 followed by eight new companies in food production.

Proudly SA's local database of products and services grew by the targeted 125 new items. The renewal target of 80% was not achieved as only 67% of the Campaign's membership base renewed timeously. Not one company has cancelled its membership. Thus, the membership department attributes the delay in renewals due to the economic uncertainty in light of the global pandemic caused by the outbreak of the novel Coronavirus, COVID-19.

Effective measures have been put in place to ensure that there is significant improvement in Proudly SA's membership recruitment and retention plans for quarter 1 of 2020/2021.

QUARTER 4 HIGHLIGHTS

New Members	
Target	55
Achievement	44
Renewal Rate (in percentage)	
Target	80%
Achievement	67%
Database of Local Products and Services	
Target	125
Achievement	125

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

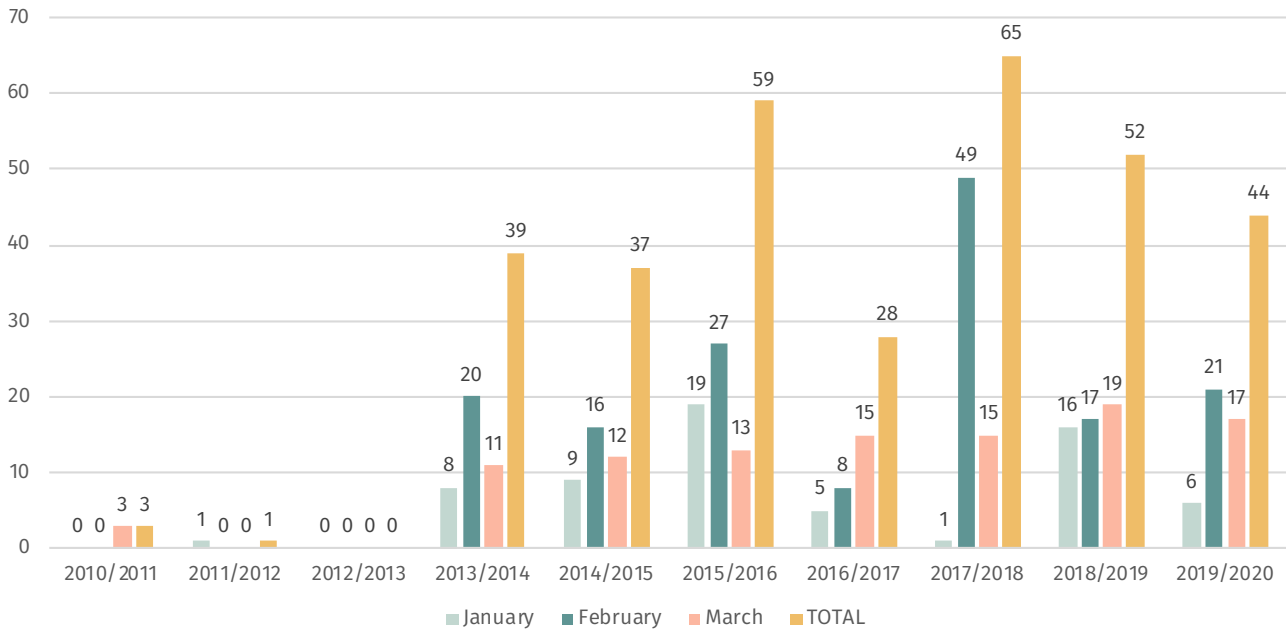
Classification of Members		
Category	SMMEs Small, micro and medium enterprises turning over less than R5 million per annum and organisations including foundations, councils, associations, and not-for-profit institutions	Annual membership fee payable (excluding VAT) R500.00
	Bronze Organisations turning 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 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	
Lead	A company before it is converted into a member	
	Consultant-generated Lead	A member consultant who is chasing to convert a lead he/she has generated him/herself
	Direct	Enquiry received directly from an organisation interested in membership
	Event	Leads generated from Proudly South African's presence at events
	Lead Origin	The platform from whence a lead originates
	Referral	Referral of a company from an internal or extra stakeholder

2019/2020 Q4 NEWLY-RECRUITED MEMBERS

2019/2020 Q4 Year-on-year Comparisons by Month

MONTH	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
January	0	1	0	8	9	19	5	1	16	6
February	0	0	0	20	16	27	8	49	17	21
March	3	0	0	11	12	13	15	15	19	17
TOTAL	3	1	0	39	37	59	28	65	52	44

**2010/2011 TO 2019/2020 Q4
YEAR-ON-YEAR COMPARISONS BY MONTH
GRAPHICAL REPRESENTATION**

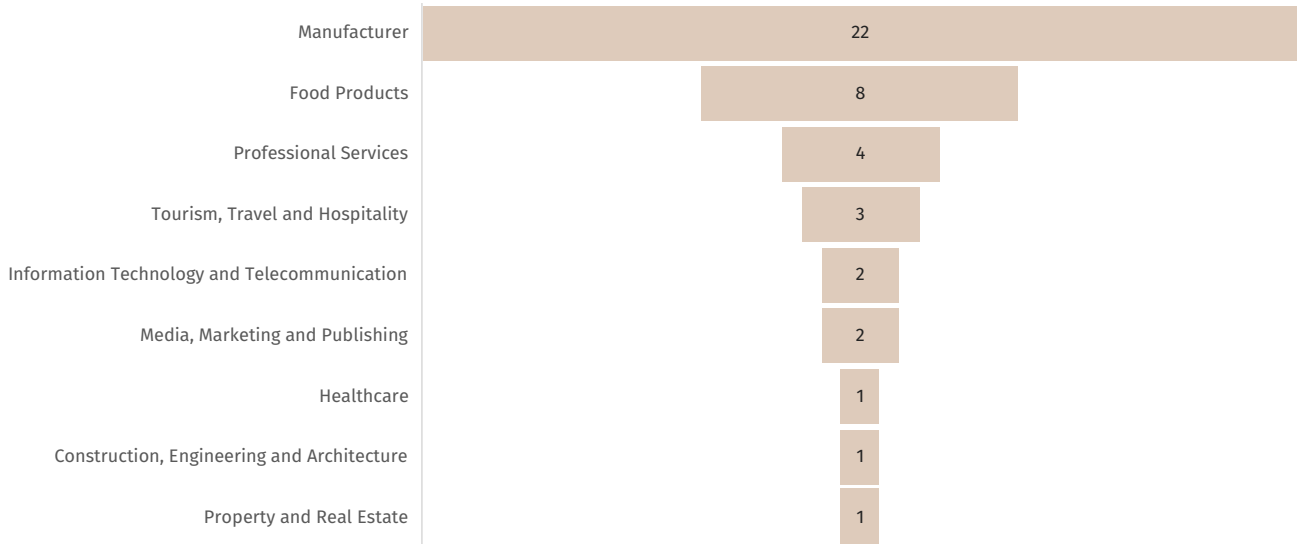


2019/2020 Q4 NEWLY-RECRUITED MEMBERS BY MONTH

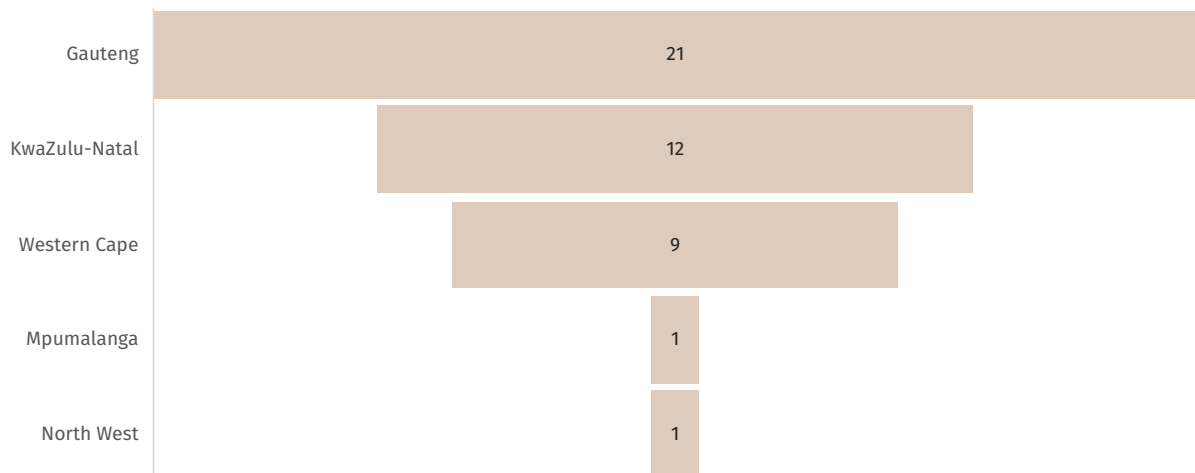
Company	Sector	Province	Classification	Lead Origin
January				
About Thyme Caterers	Food Products	Western Cape	SMME	Referral
Guideline Biztech (Pty) Ltd	Information Technology and Telecommunication	Gauteng	SMME	Consultant-generated
Imperial Crown 398 (Pty) Ltd	Food Products	Western Cape	Silver	Consultant-generated
NQ Jewellery Services (Pty) Ltd	Manufacturer	Gauteng	SMME	Referral
Oyster Plastics (Pty) Ltd	Manufacturer	KwaZulu-Natal	Platinum	Referral
Rush Nutrition (Pty) Ltd	Food Products	Western Cape	SMME	Referral
February				
Africa Union Travel Tourism and Hospitality (Pty) Ltd	Tourism, Travel and Hospitality	Gauteng	SMME	Consultant-generated
Cirebelle	Manufacturer	Gauteng	Silver	Event
DU Confidence Designs	Manufacturer	KwaZulu-Natal	SMME	Event
Empire Salon Specialist (Pty) Ltd	Manufacturer	Gauteng	SMME	Event
Isiphethu Beverages	Food Products	Gauteng	SMME	Referral
Jordipax (Pty) Ltd	Food Products	Gauteng	SMME	Referral
La Mohair	Manufacturer	Western Cape	SMME	Event
Moringa 5000 (Pty) Ltd	Healthcare	KwaZulu-Natal	SMME	Referral
Mutla Bafokeng Holdings	Professional Services	Gauteng	SMME	Consultant-generated
New Order Investments 87 (Pty) Ltd	Tourism, Travel and Hospitality	Gauteng	SMME	Direct
Palace of Knowledge	Media, Marketing and Publishing	KwaZulu-Natal	SMME	Consultant-generated
Pall Mall Neckwear & Embroidery	Manufacturer	KwaZulu-Natal	SMME	Referral
Paradigm Software and Housing (Pty) Ltd	Information Technology and Telecommunication	Western Cape	SMME	Event
Ponyane Trading 77 (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Rudolph Shortt Consultancy	Professional Services	KwaZulu-Natal	SMME	Referral

Company	Sector	Province	Classification	Lead Origin
February continued				
SL Fashions	Manufacturer	KwaZulu-Natal	SMME	Referral
Snappacko	Manufacturer	Western Cape	SMME	Referral
Snowva Trading (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Sun Goddess	Manufacturer	Gauteng	SMME	Event
Switched on Trade	Manufacturer	KwaZulu-Natal	SMME	Direct
USC Metering (Pty) Ltd	Manufacturer	KwaZulu-Natal	Diamond	Direct
March				
Aberdare Cables (Pty) Ltd	Manufacturer	Gauteng	Diamond	Direct
Battery Sportwear	Manufacturer	Gauteng	SMME	Referral
Coscobora Group Holdings	Manufacturer	Mpumalanga	SMME	Consultant-generated
Four Tops Engineering Service	Construction, Engineering and Architecture	North West	SMME	Direct
House of BNG	Food Products	Western Cape	SMME	Direct
Jacobs Jam Company	Food Products	Western Cape	SMME	Event
KND Tours	Tourism, Travel and Hospitality	Gauteng	SMME	Direct
Lavo Food and Beverage	Food Products	Gauteng	SMME	Referral
Little Genius (Pty) Ltd	Manufacturer	Gauteng	SMME	Direct
Lyla Intimates (Pty) Ltd	Manufacturer	Gauteng	SMME	Direct
Nomisful (Pty) Ltd	Media, Marketing and Publishing	Gauteng	SMME	Referral
Oristolex (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant-generated
Smart Procurement World	Professional Services	Gauteng	SMME	Direct
Taylor Blinds & Shutters	Manufacturer	KwaZulu-Natal	Diamond	Direct
Trellidor Holdings Ltd	Manufacturer	KwaZulu-Natal	Diamond	Direct
Umbuso Real Estate (Pty) Ltd	Property and Real Estate	KwaZulu-Natal	SMME	Consultant-generated
Vosk Shoes	Manufacturer	Western Cape	SMME	Referral

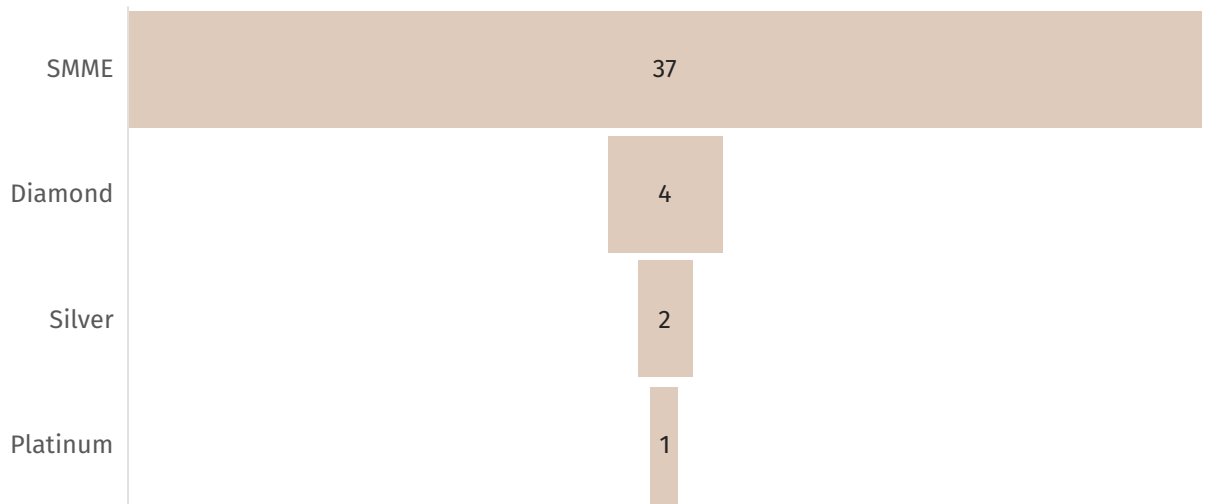
**2019/2020 Q4
NEWLY-RECRUITED MEMBERS BY SECTOR**



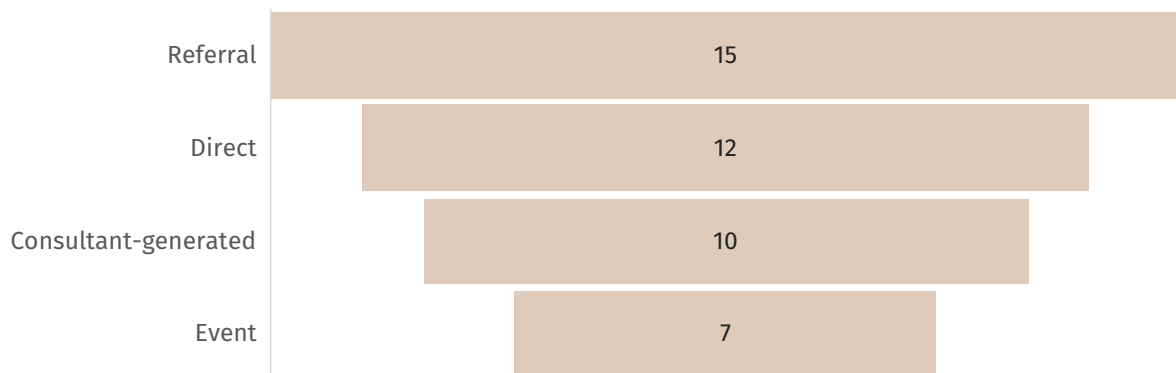
**2019/2020 Q4
NEWLY-RECRUITED MEMBERS BY PROVINCE**



**2019/2020 Q4
NEWLY-RECRUITED MEMBERS BY CLASSIFICATION**



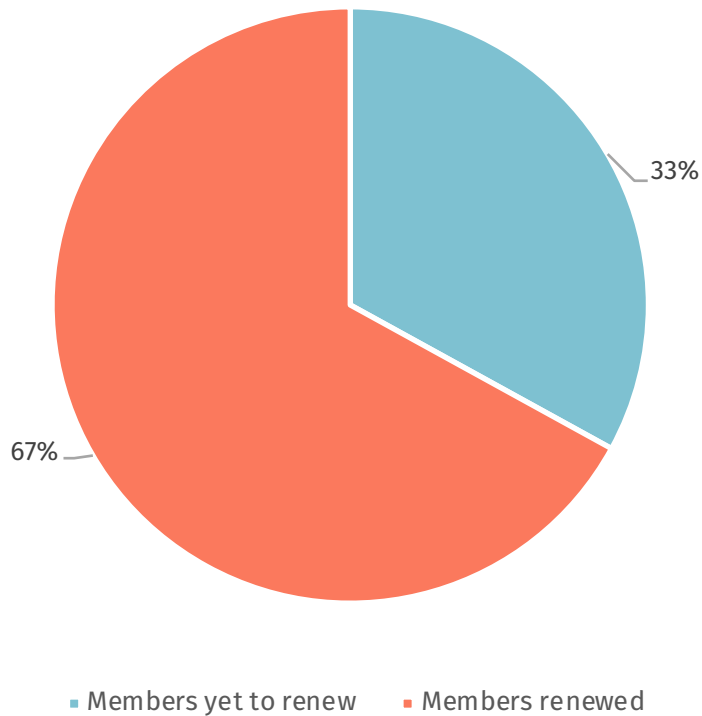
**2019/2020 Q4
NEWLY-RECRUITED MEMBERS BY LEAD ORIGIN**



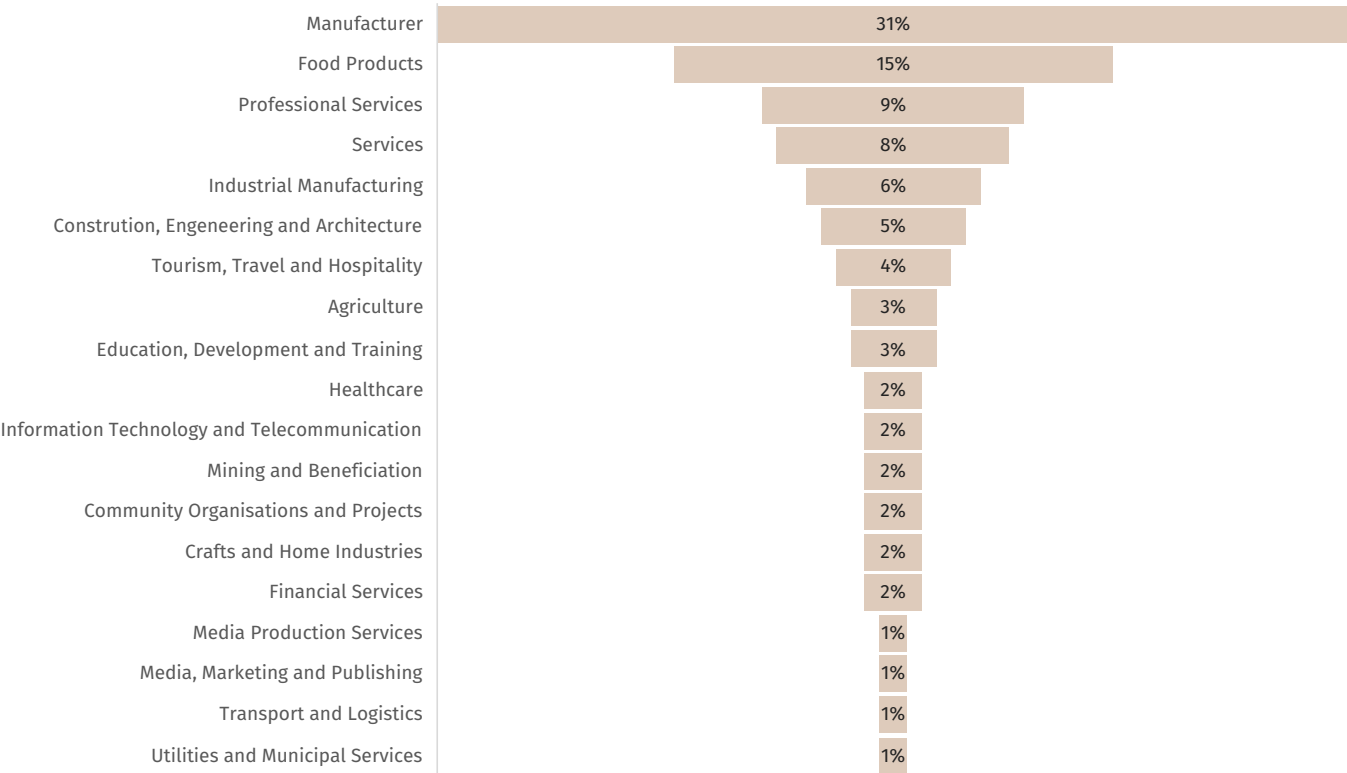
2019/2020 Q4 RENEWAL REPORT

RENEWAL REPORT	
Renewal Rate:	80%
Target:	67%
REASON FOR DEVIATION	
Members' renewals remain a timeous process which can take up to three months to complete. The current economic climate in light of the uncertainties presented by the novel Coronavirus, COVID-19, is also placing companies under severe financial stress which is contributing to the lower renewal rate.	
Number of cancelled memberships: 0 companies	

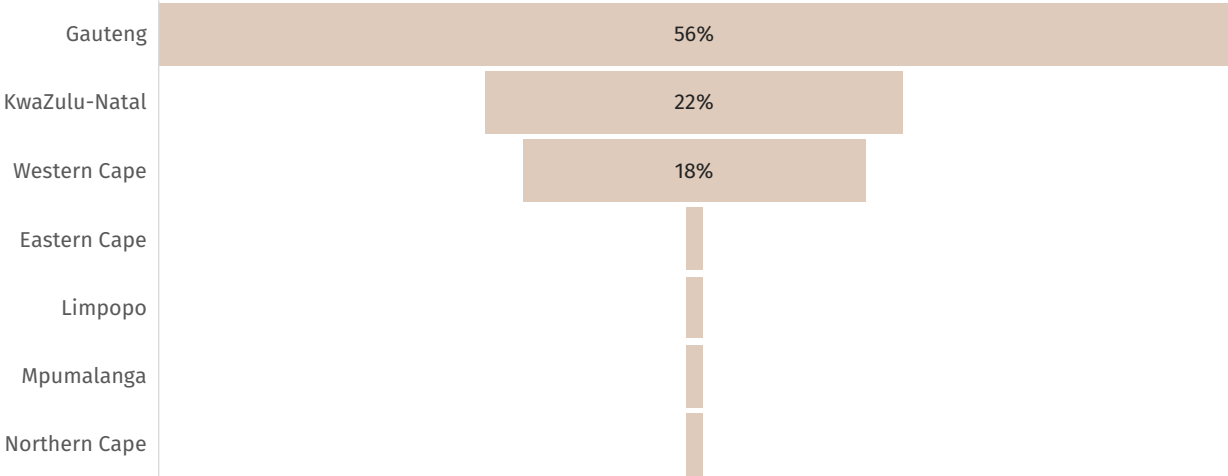
**2019/2020 Q4
MEMBERS RENEWED V YET TO RENEW**



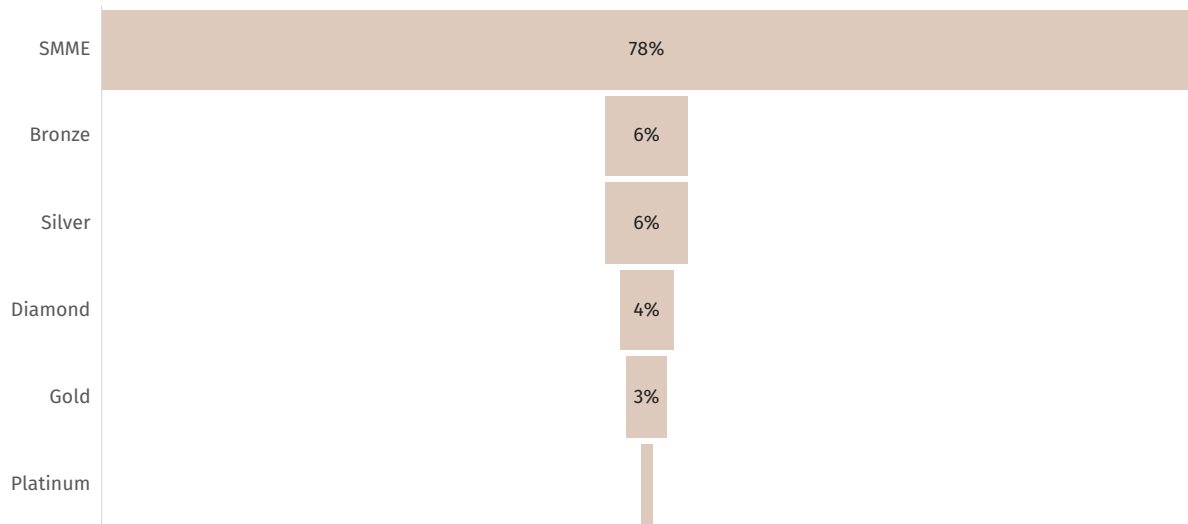
**2019/2020 Q4
RENEWING MEMBERS BY SECTOR**



**2019/2020 Q4
RENEWING MEMBERS BY PROVINCE**



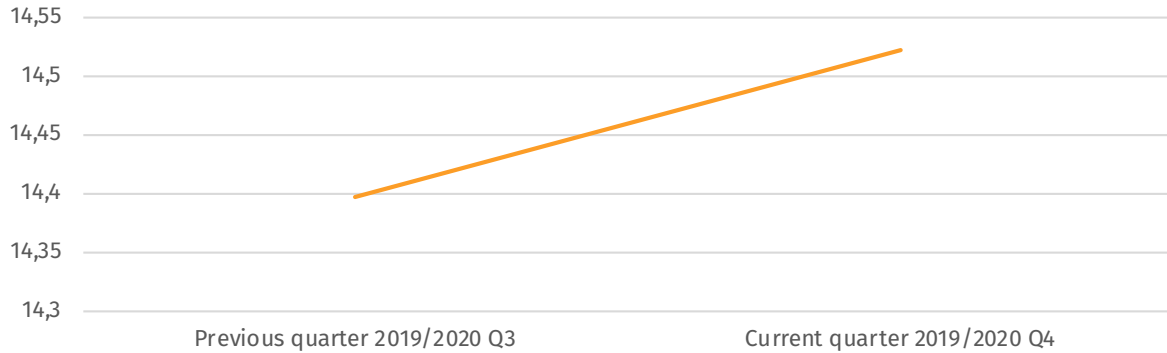
**2019/2020 Q4
RENEWING MEMBERS BY CLASSIFICATION**



**2019/2020 Q4 DATABASE OF LOCAL PRODUCTS
AND SERVICES**

PROUDLY SOUTH AFRICAN DATABASE	
Period	Number of Products and Services
Previous Quarter: 2019/2020 Q3	14,397
Current Quarter: 2019/2020 Q4	14,522
Current Period: 2019/2020 Q4	
Target	125
Number of Products and Service Added	125
Target achieved: 100%	

**2019/2020 Q4
GROWTH OF DATABASE OF LOCAL PRODUCTS AND SERVICES**



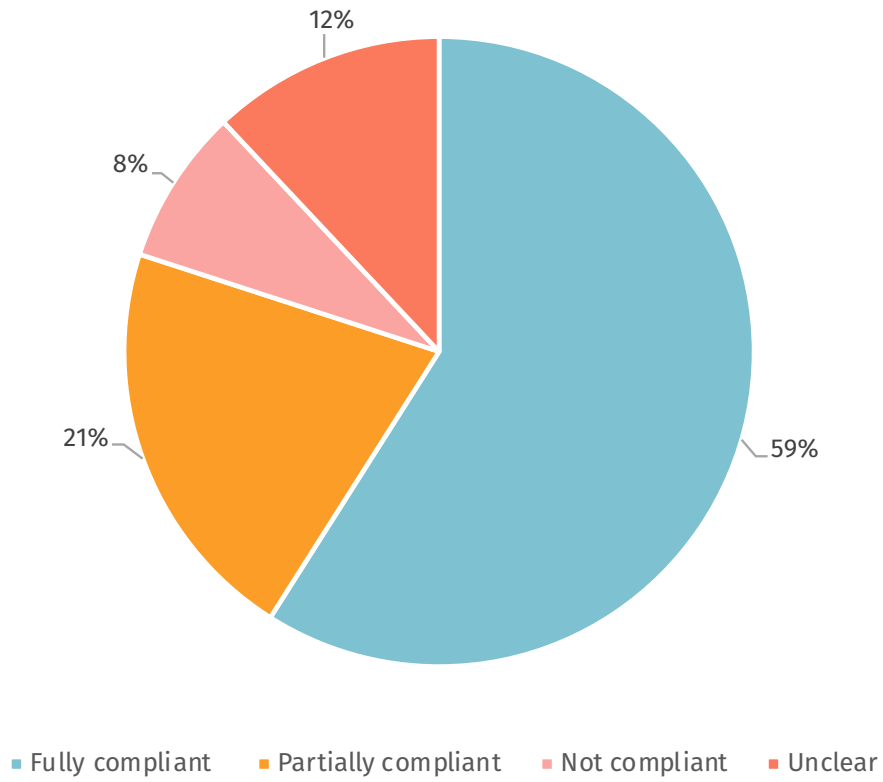
**2019/2020 Q4 TENDERS DESIGNATED
FOR LOCAL CONTENT**

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 715 government and SOE websites for tenders that are required to stipulate an element of local procurement. 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 grid and graph below portray the tenders that have been categorised in terms of their compliance to local content specifications, whether they are fully compliant, not compliant or whether the local content is unclear.

TENDERS IDENTIFIED FOR DESIGNATED SECTORS		
	PREVIOUS PERIOD 2019/2020 Q3 98 tenders identified	CURRENT PERIOD 2019/2020 Q4 85 tenders identified
Fully compliant	65 (66%)	50 (59%)
Partially compliant	0 (0%)	18 (21%)
Not compliant	15 (15%)	7 (8%)
Unclear	18 (19%)	10 (12%)

2019/2020 Q4
TENDERS IDENTIFIED FOR DESIGNATED SECTORS



4.4) Highlights for the quarter

EVENTS AND ACTIVATIONS



BUSINESS FORUMS

Held around the country offering information gathering and networking opportunities for SMMEs and a recruitment opportunity for the Campaign.

Target audience: Local SMMEs, entrepreneurs, existing Proudly SA member companies, prospective members

Bloemfontein, Free State, 29 January 2020

The Economic Development, Tourism and Environmental Affairs Department of the Free State was represented by HOD Dr Mbulelo Nokwequ, who gave a presentation.

The panel discussion featured representatives from the dti, SARS, SEDA and CIPC.

Attendance: 78



Polokwane, Limpopo, 25 February 2020

The Limpopo Economic Development Agency's Owaiz Khan gave the keynote address and shared opportunities in the province relating to the mining, agriculture, agro-processing & tourism sectors.

Panellists for the Q&A session included the dti, SARS, CIPC and SEFA.

Attendance: 93



Nelspruit, Mpumalanga, 26 February 2020

The keynote address was given by Mr. Patrick Khumalo, representing the Mpumalanga Department of Economic Development & Tourism.

Stakeholders who formed part of the panel discussion were SEDA, SEFA, CIPC, The B-BBEE Commission, the dti & SARS

Attendance: 61





PUBLIC SECTOR PROCUREMENT FORUMS

Proudly SA's public sector forums invite supply chain and procurement officers and departmental managers from provincial and municipal tiers of government as well as any locally located SOEs for sessions on their roles and responsibilities in respect of the PPPFA, and extending local procurement in the public buying sector beyond designated sectors, as a means of driving economic growth.

Bloemfontein, Free State, 30 January 2020

Speakers at the event were the dti, Free State Treasury, Auditor General and SABS.

Attendance: 45

Nelspruit, Mpumalanga, 27 February 2020

Presentations by the Auditor General's office, the dti and SABS and Proudly SA.

Attendance: 50



PROUDLY SA INITIATED EVENTS

Valentine's Day Activation, Sandton Gautrain Station, 14 February 2020

The Valentine's Day activation is designed to inspire national pride, patriotism and love for the country amongst South Africans, as well as creating awareness around supporting local goods, products and services to help with the creation of jobs.

In partnership with The Gautrain and Nestle, the team and activators branded outside the Sandton station ensuring visibility to many more Sandton workers than just Gautrain commuters. Three thousand roses, cards and chocolates were distributed during the morning.

Media traction included from the widely circulated Sandton Chronicle.

Reach for this event: 3000+
Target Market: Consumers

State of the Nation Address, Cape Town, 13 February 2020

Board Chair, CEO, CMO and the public relations team attended the 2020 SONA and took the opportunity to interact with government ministers and officials, seeking support for the campaign.

Buy Local Summit & Expo Media Launch, Victoria Yards, Johannesburg, 4 March 2020

The media launch of the 9th annual Buy Local Summit & Expo took place at an Edcon supported CMT and young designer enterprise, based at Victoria Yards, a hub for SMMEs and entrepreneurs. The event gave young designers who have been part of the Edcon Design Innovation Challenge exposure in addition to giving a platform to other members who have benefitted from being part of the buy local campaign and participating in past Expos.

Proudly SA presented the sponsors and programme content for the event to media and stakeholders.

Target audience: Media, sponsors, stakeholders



Meetings Africa Johannesburg, Sandton Convention Centre, 25 & 26 February 2020

Celebrating 15 years of advancing African tourism, Meetings Africa brings key business tourism sector players under one roof. Proudly SA's participation was largely around membership lead generation of local tourism related operators as well as manufacturers/producers who create local content for that sector (Guest amenities, linen etc)

Reach for this event: 1300

Target audience: Suppliers, manufactures, buyers (hotel groups, lodges etc)



Proudly SA Buy Local Summit and Expo Johannesburg, Sandton – 23 & 24 March 2020 (Postponed till further notice)



4.5) PR, Communications & Media

4.5.1) Summary

The quarter in review was dominated by preparations for the 9th Annual Buy Local Summit & Expo, as we worked on media coverage, and outside broadcast partners with commercial and community radio and tv stations. The media launch of the event required a venue with a 'hook' to generate sufficient interest to bring in journalists and the Edcon supported CMT in Victoria Yards proved to be the perfect location. The launch generated a substantial amount of media coverage for both the venue and the event itself.

The PR department worked on a document for the MOU with the SABC to flesh out their role in the Buy Local Summit & Expo, to include both tv and radio on site coverage. Cliff Central's online station was also brought on board which was to have recorded and podcast highlights of the Summit.

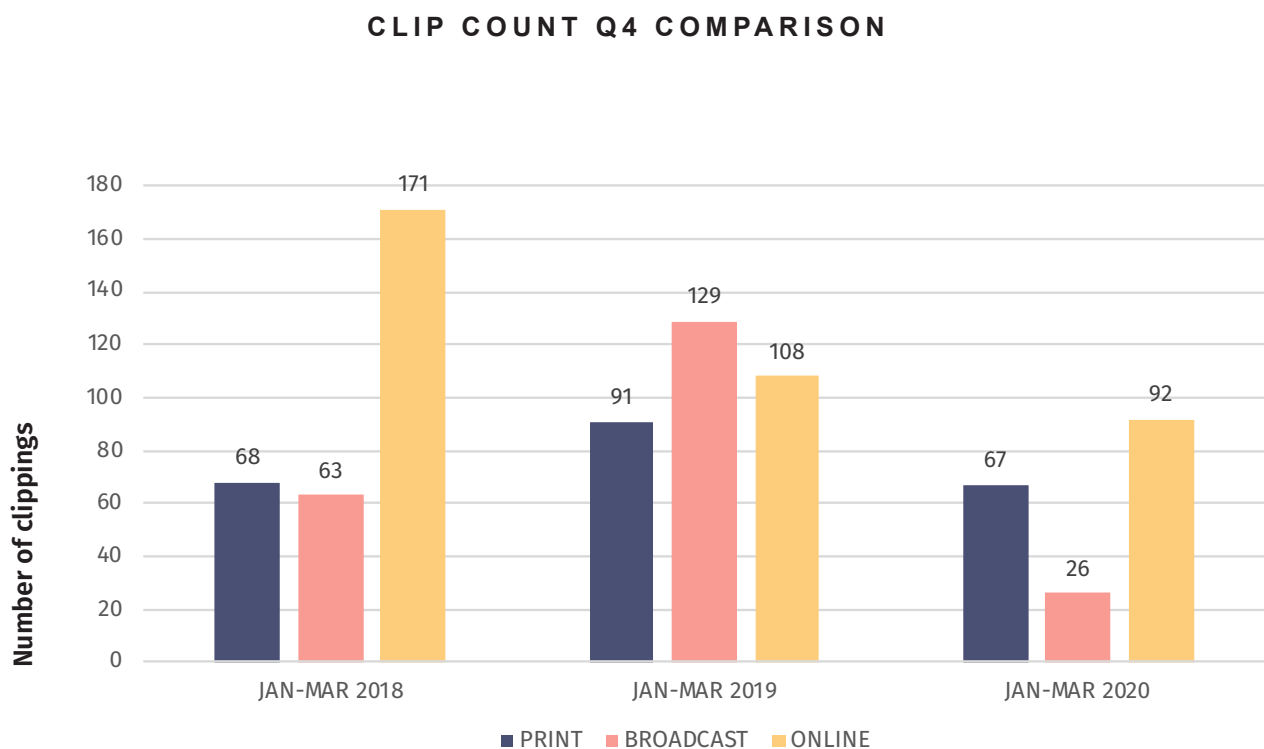
During this quarter we were also required to crisis manage a social media campaign which was waged against the organisation, successfully diffusing a potentially damaging situation.

Our weekly Business Report column slot was 'renewed' and resumed in early February.

The coronavirus pandemic caught the entire world off guard, and we were not immune to its impact. Every fourth quarter of the financial year, the PR department focuses its energy on creating and finalising media partnerships for the Proudly SA's flagship event, the Buy Local Summit & Expo. Normally, these efforts would result in the quarter in review seeing the highest ROI numbers, however the pandemic prevented us being able to report such figures.

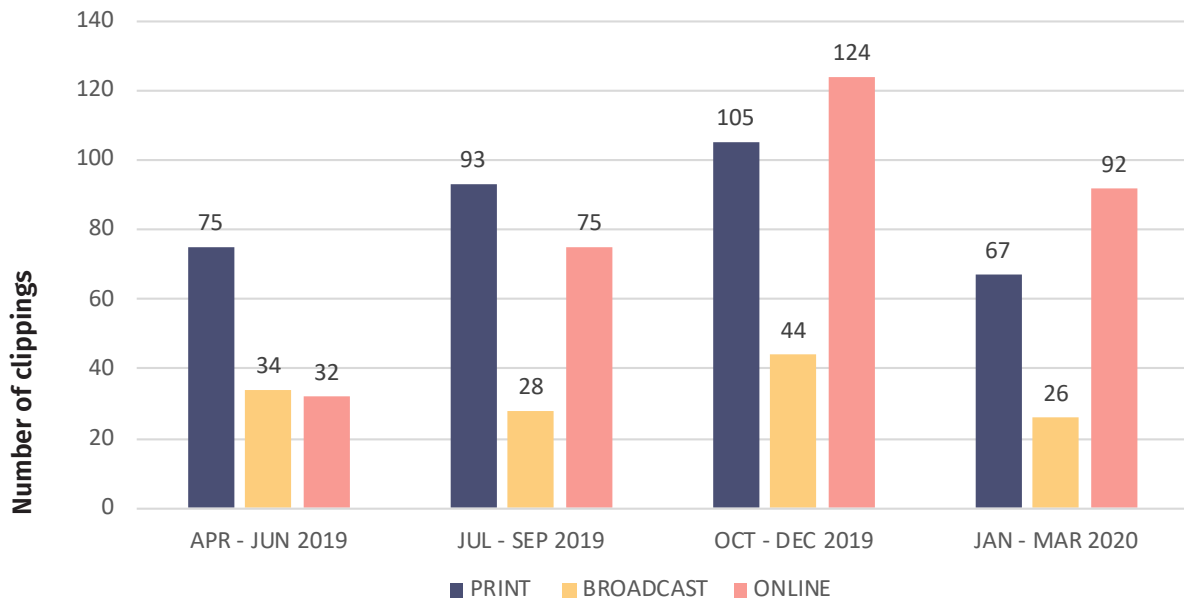
4.5.2) Clip Count Analysis

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 (Jan – Mar 2020). Comparison is made with the same period in 2018 and 2019, as well as with other quarters in the 2020/2021 financial year.



CLIP COUNT COMPARISON

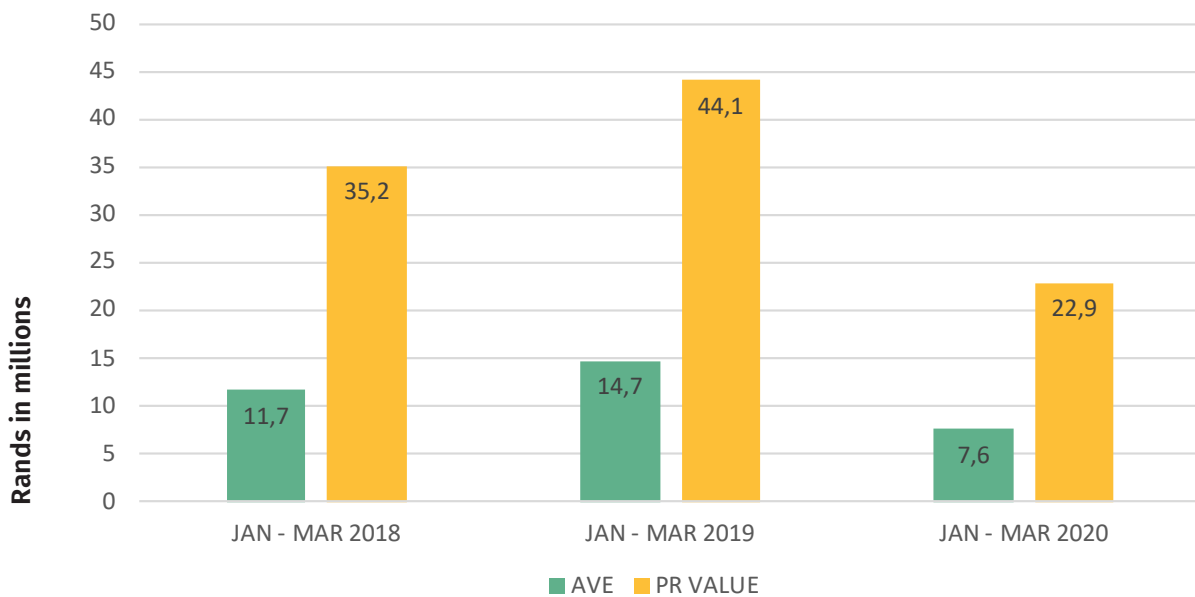
2019/2020 Financial year



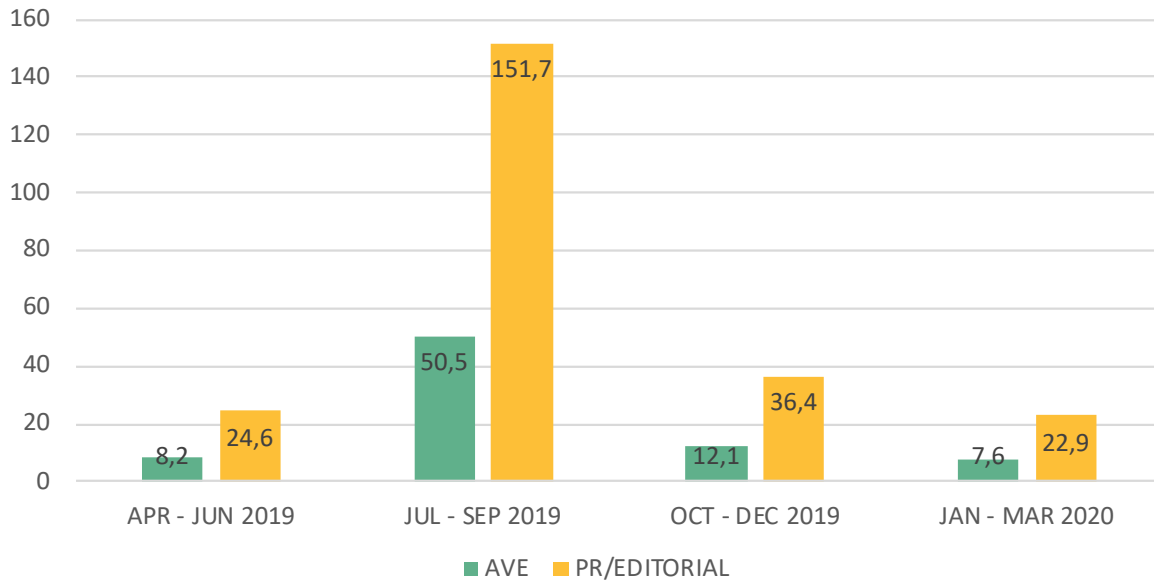
4.5.3) AVE/PR Values

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 January and March 2020 is R7.6 million and the PR/editorial value for the same period is R22.9 million.

AVE ANALYSIS Q4 COMPARISON



AVE ANALYSIS 2019/2020 FINANCIAL YEAR



4.5.4) Press Releases/Op Eds/Media Articles

The following were issued between January and March 2020

No.	Date	Release/Commission	Title	AVE
1	17 January	Press release	Proudly SA Business Forum in Bloemfontein	R42 828.45
2	26 January	Social Media Statement	Proudly SA refutes all allegations made in social media parody account	N/A
3	04 February	Business Report Column	New year, growing challenges	R529 901.06
4	11 February	Business Report Column	Open letter to parliamentarians ahead of SONA	R262 756.94
5	18 February	Business Report Column	Speech offers opportunities for localisation	R385 892.22
6	20 February	Press Release	Proudly SA responds to recent allegations of corruption within the organisation	R200 453.72
7	20 February	Press Release – Limpopo only	Proudly SA's Business Forum comes to Polokwane	R2 668.05
8	24 February	Press Release – Mpumalanga only	Proudly SA Business & Public Sector Forums come to Nelspruit	R33 510.00
9	25 February	Business Report Column	Coronavirus exposes market vulnerabilities, opportunities	R879 622.03
10	03 March	Business Report Column	Mboweni's wriggle room rests with private enterprise	R275 242.60
11	04 March	Press Release	Proudly SA & SABC sign 3-year partnership agreement	R319 059.67

No.	Date	Release/Commission	Title	AVE
12	04 March	Press Release	Proudly SA launches the 9th edition of its Buy Local Summit & Expo	R325 833.11
13	10 March	Business Report Column	Inclusivity paves way for new entrants to economy	R 372 472.65
14	16 March	Press Release	Coronavirus postpones Buy Local Summit & Expo	R681 046.19
15	17 March	Business Report Column	It is critical to link corporates and small business	R282 990.27
16	24 March	Business Report Column	Short term profiteering will cause damage in the long run	R446 377.00

4.5.5) Media Visits/Engagements

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

	Date	Engagement	AVE
1	24 January	Yfm meeting for BLSE engagement	N/A
2		Unisa Radio	N/A
3	28 January	Cliff Central for BLSE engagement	N/A
4	31 January	Meeting with GCIS media team	N/A
5	12 February	SONA media dinner - Media 24 CTN	N/A
6	17 February	Meeting with SABC, Auckland Park	N/A
7	20 February	Press Conference, The Star	N/A
8	26 February	Nelspruit, Barberton Radio	N/A
9	04 March	BLSE Media Launch, Misc media	N/A

4.5.6) Social Media

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

	No of followers Dec 2019	Fiscal growth (since April 2019)	Year-on-year growth
Facebook likes	16 874	1 581 (10.3%)	1 789 (11.9%)
Facebook follows	17 560	1 899 (12.1%)	2 490 (16.5%)
Instagram follows	4 411	1 126 (34.3%)	1 368 (44.9%)
LinkedIn	934	446 (91.4%)	537 (135.3%)
Twitter	167 677	5 980 (3.7%)	6 826 (4.2%)



CEO PRESENTATIONS

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
29 January 2020	Bloemfontein Business Forum	Bloemfontein
30 January 2020	Bloemfontein Public Sector Forum	Bloemfontein
25 February 2020	Limpopo Business Forum	Limpopo
26 February 2020	CIPS Forum	Hyde Park
27 February 2020	Nelspruit Public Sector Forum	Nelspruit
4 March 2020	Buy Local Summit and Expo Launch	Johannesburg
5 March 2020	Black Business Summit	Gallagher Estates

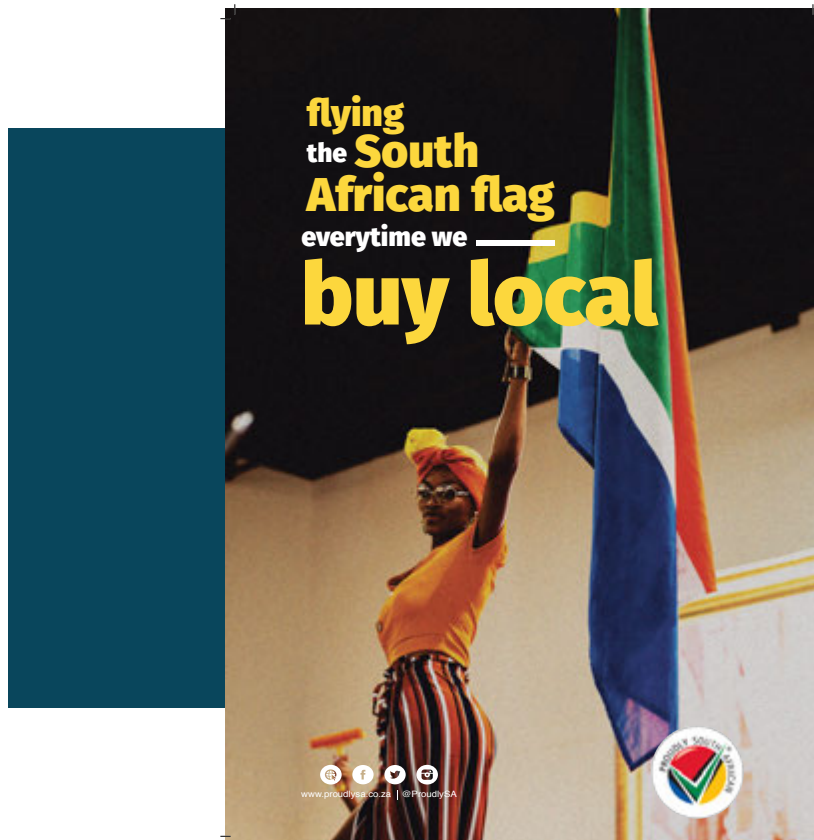
BRAND MANAGEMENT

The branding for the quarter in review was aligned with the Buy Local Summit & Expo 2020. All internal and external material and messaging was designed to promote the event and to amplify the buy local message. Both the above and below the line activities were used to promote the Summit.

The design team worked on all the branding material and components for the Buy Local Summit including creating a new look and feel for the 9th annual event, the website, invitations, programmes, booklet and all other related material.

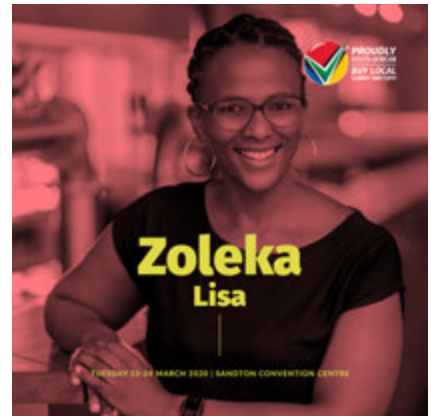
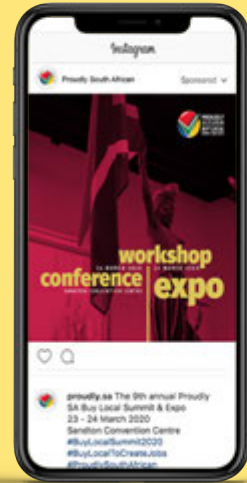
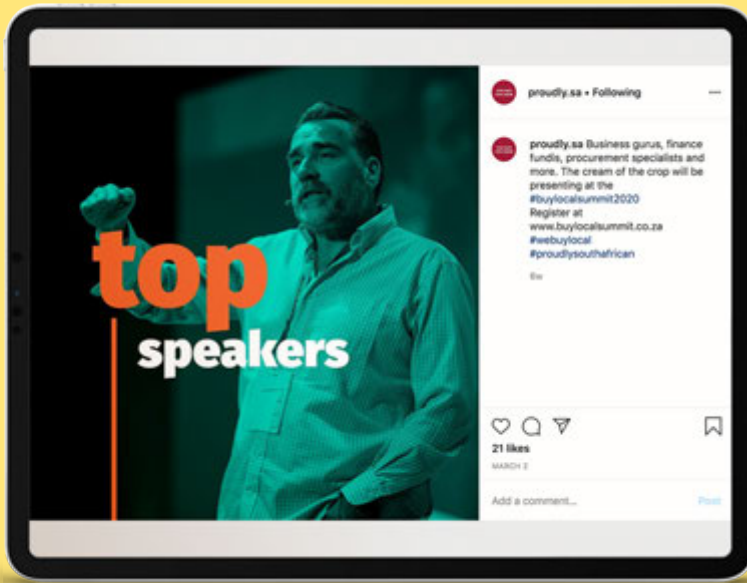
The above the line campaign had a two-pronged message, to drive feet to the event and to create awareness about the campaign and its activities. There were two main drivers of advertising which included digital advertising as a billboard and mall advertising. Digital advertising extended across social media platforms including Twitter, Facebook, Instagram and LinkedIn as well as 3rd party advertising and programmatic. This fed into a targeted audience to whom we 'sold' attendance at the event.

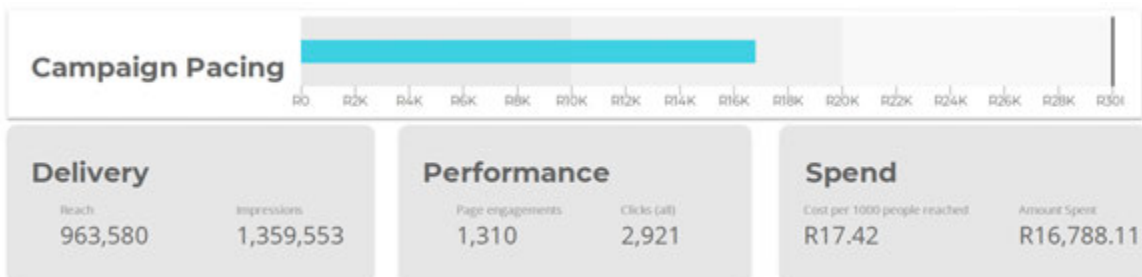
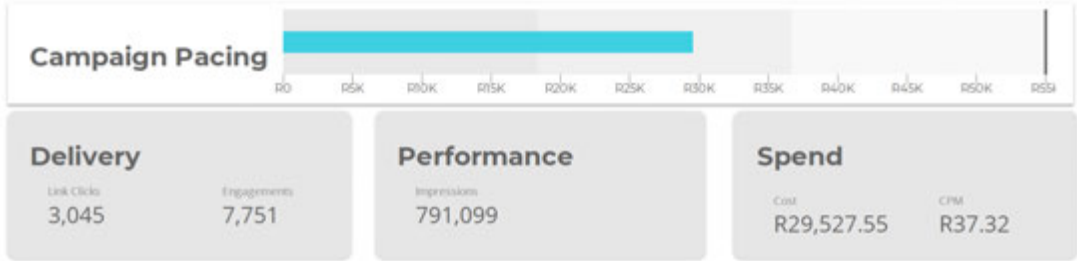
The results in terms of event registration were extremely good up until the point at which we halted registration and postponed the Summit. All branding channels performed well, including the digital billboards and mall advertising, generating registrations and awareness around the event and recognition of the Proudly South African brand on its own and of local brands by association.



SA BUSINESS INTERGRATOR MAGAZINE

DIGITAL ADVERTISING





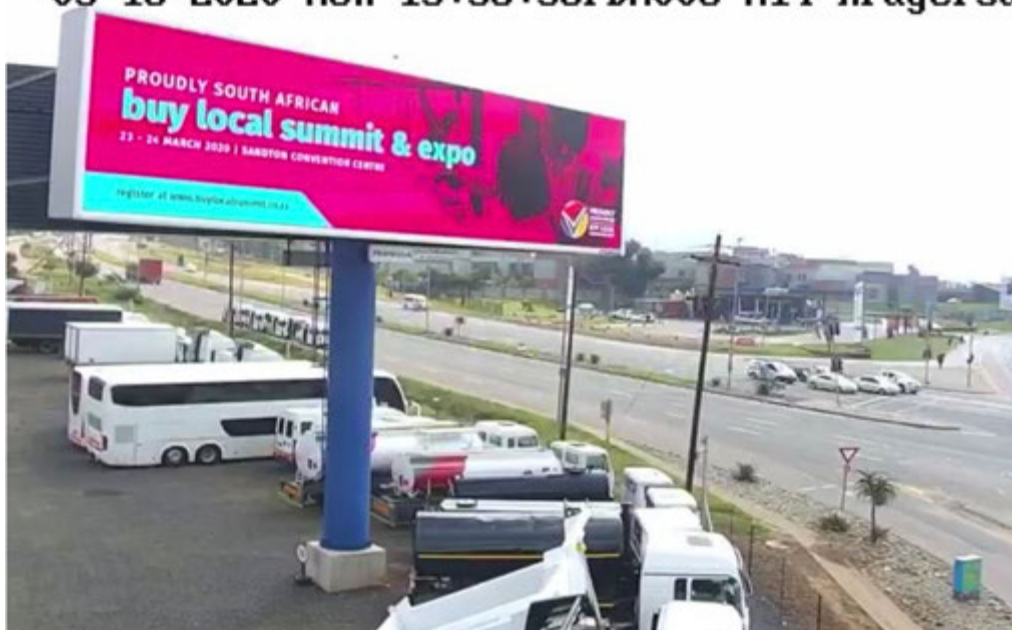
BILLBOARD ADVERTISING

03-16-2020 Mon 09:38:37

DN02 Sandton Drive



03-16-2020 Mon 15:38:56FDN006-N14 Krugersd



03-16-2020 Mon 09:42:53

DN04-Ballyclare



PERFORMANCE FOR THE PERIOD UNDER REVIEW

Performance for the period under review (1 January to 31 March 2020) - Performance against the Annual Performance Plan targets for the quarter

Strategic objective/outcome					Reason for Variance
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	
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;	*Above-the-line – Buy Local (Buy Back SA/Buy SA) activism campaign reaching at least 20 million consumers	*Reach 5 million consumers during Quarter 4	*Reached in excess of 5 million consumers through: *SONA preparations and interviews *GCIS collaborations on multiple platforms *BLSE media launch *SABC MOU announcement on TV and radio platforms *BLSE digital rollout, social media, celebrity (panelists) social media drive	
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)	*PR & Below the Line Activities reaching at least 10 million consumers per annum; *At least 6 Activations hosted annually *10 x Youth targeted Radio interviews/ competitions or advertising campaigns per annum	*Reach 3 million consumers during Quarter 4 *1 activation was planned for Quarter 4 *2 Campaigns with radio stations were planned for Q4	*Reached in excess of 3 million consumers through: *BLSE press releases *CEO weekly column *Generic press releases *Valentine’s Day Activation at Sandton Gautrain Station *Cliff Central, *GCIS Media engagement *Media24 – CPT	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
	<p>*Proudly SA Events/Exhibitions/Expo's/Villages at trade expos;</p> <p>*Increased awareness of the buy-local message in support of Heritage Month</p> <p>*Proudly SA CSI projects</p>	<p>*Participation in at least 12 trade expos per annum;</p> <p>*Roll out of at least 3 major Heritage month activities per annum</p> <p>*At least 2 CSI projects per annum</p>	<p>*At least 3 expos per quarter</p> <p>*No Proudly SA Heritage month activities planned for Q4</p> <p>*No CSI activity planned for Q4</p>	<p>*Meetings Africa *Township Innovation Summit *Tsogo Sun Entrepreneurship Program</p> <p>*N/A</p> <p>*N/A</p>	
<p>Increase procurement of local products and services in the public sector through increased engagements with the public sector.</p>	<p>Educational roadshows 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 the dti, EDD, National Treasury and provincial government departments on 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 and to monitor procurement within the public sector</p> <p>*National, provincial and local departments visits – engagement with procurement officers</p>	<p>*At least 1 presentation to SOEPF per annum</p> <p>*Presentation at 1 government's SCM forum with Heads of procurement from various national government departments</p> <p>*Provincial Public Sector forums in at least 9 provinces</p>	<p>*No presentation planned for Q4</p> <p>*No presentation planned for Q4</p> <p>* 1 Provincial Public Sector forums planned for Q4</p>	<p>*N/A</p> <p>*N/A</p> <p>*Free State (Bloemfontein), *Mpumalanga (Nelspruit).</p>	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
	<p>* Presentation to officials in metropolitan councils – engage with local government on localisation</p> <p>*Tender Monitoring – Number of tenders/RFPs identified by Proudly SA's system, issued for designated sectors/products by public sector entities</p> <p>*CSD Integration – an integration of the Proudly SA database with National Treasury's CSD (Number of Proudly SA companies integrated with CSD)</p> <p>*1-2 x day Buy Local Summit – focusing on all state organs and business procurement</p> <p>*1-2 x Day Buy Local Expo – of all SA companies focusing on the priority Sectors - SCC – "Made in SA" Expo</p>	<p>*Presentation to at least 2 metropolitan council procurement forums per annum</p> <p>*At least 1 200 tenders/RFPs for designated sectors/ products identified through the tender monitoring system per annum</p> <p>* Launch of integration of CSD with Proudly SA database, with at least 100 companies registered in Year 1 (2019/20)</p> <p>*At least 1 summit to be held per annum</p> <p>*At least 1 Buy Local Expo held per annum</p>	<p>*No presentation planned for Q4</p> <p>*300 Tenders/RFPs</p> <p>*30 Proudly SA companies to be integrated with CSD in Q4</p> <p>*Buy Local Summit planned for Q4</p> <p>*Buy Local Expo planned for Q4</p>	<p>*Not applicable</p> <p>*266 Tenders for designated sectors/products were monitored</p> <p>*No member companies have been integrated with CSD to date as National Treasury requested a MoU</p> <p>*Did not take place</p> <p>*Did not take place</p>	<p>Tender monitoring disrupted by COVID-19 lockdown regulations</p> <p>Postponed due to the COVID-19 Pandemic</p> <p>Postponed due to the COVID-19 Pandemic</p>
<p>Increase procurement of local products and services in the private sector through engagements with Business (incl. BUSA, BBC and BLSA</p>	<p>National Educational road shows: Increased buy-in and support for local procurement by the private sector. Signing of Partnership agreements/pledges with BLSA, BBC and BUSA to commit to buying locally produced products and services through:</p> <p>* Presentations to BUSA, BBC and BLSA members plus Business Chambers;</p>	<p>*1 presentation each to BUSA, BBC and BLSA per annum;</p> <p>*Presentations to at least 4 business chambers, associations and /or industry events per annum</p>	<p>*1 presentation planned with any of the targeted organizations for Q4</p> <p>*No presentations planned for Q4</p>	<p>*Jointly formed a local procurement committee with BUSA *Presentation at the Black Business Summit (BBC)</p> <p>*Presented on localization to the Banking Association of SA (BASA) & Chartered Institute of Procurement & Supply</p> <p>*Proudly SA presented to 11 industry bodies in SARS led Customs & Excise Industry Forums.</p>	

Strategic objective /outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
	<p>* Local Procurement Partnerships with large retailers and /or manufacturers;</p> <p>*1-2 x Day Buy Local Summit – focusing on all state organs and business procurement</p> <p>1-2 x day Buy Local Expo – of all SA companies focusing on the priority Sectors - SCC – “Made in SA” Expo</p> <p>*Sector Specific Workshops</p> <p>*Business Forums with dti and other strategic partners</p> <p>*Proudly SA Events/ Exhibitions/ Expo's/ Villages at trade expos</p> <p>*SA Premier Business Awards aimed at rewarding SA companies that achieve high levels of excellence in the course of doing business</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>*Partnerships with at least 2 major retailers/manufacturers per annum;</p> <p>*At least 1 summit to be held per annum;</p> <p>*At least 1 Buy Local Expo held per annum;</p> <p>*3 x sector specific forums per annum</p> <p>*9 business forums per annum</p> <p>* Participation in at least 12 major trade expos per annum</p> <p>* Co-hosting 1X annual SA Premier Business Awards event (as a partner to the dti)</p> <p>*Secure an industry commitment from at least one major sector per annum</p>	<p>*No partnership planned for Q4</p> <p>*Buy Local Summit scheduled for Q4 (March '20)</p> <p>*Buy Local Expo scheduled for Q4 (March '20)</p> <p>*No sector specific forum scheduled for Q4</p> <p>*1 business forum scheduled for Q4</p> <p>*3 trade expos scheduled per quarter</p> <p>*Awards scheduled for Q4</p> <p>*No industry commitment planned for Q4</p>	<p>Partnerships concluded with:</p> <p>*Trellidor</p> <p>*USC Metering</p> <p>*Aberdare Cables</p> <p>*Did not take place</p> <p>*Did not take place</p> <p>*Not applicable.</p> <p>*Mpumalanga (Nelspruit)</p> <p>*Free State (Bloemfontein)</p> <p>*Limpopo (Polokwane)</p> <p>*Meetings Africa.</p> <p>*Township Innovation Summit</p> <p>*Tsogo Sun Entrepreneurship Program</p> <p>*Did not take place</p> <p>*Banking Association of SA is currently working on their commitment</p>	<p>Postponed due to the COVID-19 Pandemic</p> <p>Postponed due to the COVID-19 Pandemic</p>

Strategic objective /outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
	Implementation of Import Replacement in key industries/products as per the highest imported items into the country, by value	<p>*Secure new localisation commitments from at least 5 major corporates per annum</p> <p>*Implementation of Import Replacement in at least one key industry/product per annum</p>	<p>*1 new localization commitments from major corporates planned for Q4</p> <p>*No import replacement implementation (in any key industry/product) planned for Q4</p>	<p>Localisation commitments secured from:</p> <p>*Vitafoam</p> <p>*OBC Retail</p> <p>*Sasol</p> <p>*N/A</p>	
Brand Management 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, qualitative and quantitative research results as well as event or campaign dipstick surveys outcomes;	<p>*Brand or Consumer Research to be undertaken at least once per annum</p> <p>*At least 18 x Dipstick surveys per annum conducted at Proudly SA events and exhibitions/ consumer outreach campaigns and via the website</p>	<p>*No consumer research study planned for Q4</p> <p>*2 dipstick survey planned for Q4</p>	<p>*N/A</p> <p>*Limpopo Business Forum</p> <p>*Free State Business Forum.</p> <p>*Mpumalanga Business Forum.</p>	
Brand Compliance and IP. Effective management of Proudly SA intellectual property	Percentage of successfully executed letters of demand and court actions against identified transgressors	<p>*Action/letters of demand to all (100%) irregular users of the Proudly SA logo identified</p> <p>*Annual compliance review of all members</p> <p>*Monthly monitoring with Adams & Adams of companies that are using the Phrase and logo illegally</p>	<p>*100% of all identified illegal users sent letters</p> <p>*100% (All) members checked for compliance</p> <p>*Monitoring of the use of logo and phrase done illegally – 100% contact with all identified companies</p>	<p>*All identified irregular users were sent letters – 100%</p> <p>*All members contacted as part of the new and renewals membership compliance process – 100%</p> <p>*Monitoring done by Adams and Adams monthly – 100%</p>	

Strategic objective / outcome					
Output	Performance Measure or indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
Partnership with enforcement agencies	<p>*To prevent illegal imports, counterfeit products, dumping of unsafe products and under invoiced products through Below and Above the line Anti-piracy and illicit trading campaigns reaching 2 million people per annum;</p> <p>*Develop partnerships with Intergovernmental State enforcement Agencies, i.e. SARS, CIPC, Customs, SAPS, Hawks, Brand SA and – multi disciplinary process with key stakeholders</p>	<p>Participation in the Nedlac Task team on Anti-piracy at least twice per annum</p>	*1 activity planned for Q4	*This Task Team has completed its work	
Growing the database of South African supplier products and services for local procurement	*Grow the number of companies registering on the database.	*500 new products and/or services registered	*125 new products and/or services registered for Q4	*125 new products and/or services registered	
*Official Database for Local Products and Services to be utilized by all South Africans and all Government entities when procuring designated and local products	*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.	*Promotion of database to at least 9 provincial public-sector forums	*1 provincial public-sector forums planned for Q4	*Free State (Bloemfontein), *Mpumalanga (Nelspruit).	
		*Promotion of database to at least 9 provincial business forums	*1 provincial business forum planned for Q4	*Mpumalanga (Nelspruit), *Free State (Bloemfontein) *Limpopo (Polokwane)	
		*Promotion of database to at least 2 business associations or chambers	*No workshop with a business association or chamber planned for Q4	Presented to the following: *Plastics SA *Black Business Council (BBC) *Banking Association if SA (BASA) *Chartered Institute of Procurement & Supply (CIPS)	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
Strengthening Media relations, PR and social media	*Daily, weekly, monthly monitoring of media coverage on the campaign and analysis thereof	*Media Monitoring Regular monitoring of media reports coverage on Proudly SA, its members and other key stakeholders	*100% of Daily monitoring through Newsclip of all coverage on Proudly SA	*Daily feed from media monitoring service - refer to breakdown in PR section in this report.	
	*Number of published press releases prepared per month (Regular communication in print media aimed at members, media, government departments, consumers and other stakeholders)	*Press releases At least 36 press releases per annum	*9 press releases issued per quarter	*16 press releases issued, Exceeded target by 7	
	*Number of interactions with the media per annum to increase the publicity and raise the profile of Proudly SA. This is part of the media relations strategy where the campaign can discuss with the media tactical issues, e.g. job losses in specific sectors as well as strengthen relations with the media through media breakfasts/lunches & media meetings hosted by the CEO, Chairperson, board or the PR Manager	*Media engagement *At least 40x individual media engagements per annum	*10 media/editor's meetings per quarter	*There were 9 in total (Refer to PR section).	
	*Daily communication on Twitter, Facebook and Instagram. Increased activities during campaigns	* At least 3 x Media meet & greet networking sessions per annum * Social Media activities daily	*1 media meet & greet networking session planned for Q4 *Daily updates on Twitter, Facebook and Instagram done	*BLSE Media Launch. *Daily updates done on Twitter, Facebook & Instagram resulting in an increase in the number of followers on all 3 platforms. The Proudly SA Twitter account now has 167,677 followers and Facebook has more than 17,560 followers & Instagram has more than 4,411 followers. LinkedIn has 934 followers.	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
Retention and Recruitment Members	*Increase following on social media platforms and increase in publicity	*Increase following on all social media platforms by 2% per annum	Increase following on all social media platforms by 2% per quarter	Facebook = 3.5%, Instagram = 4.9%, Twitter = 1%, LinkedIn = 31%	March recruitment drive interrupted by COVID-19 regulations The renewal process remains a time bound one as various compliance documents are required. The process can take at least 3 months to complete in its entirety. With the tough economic climate, members are renewing at a slower pace.
	*Major PR activation to increase awareness about the campaign and the "Buy Local" campaign	*Valentine's Day activation 1 per year on Valentine's day	*This activation is scheduled to take place during Q4 (Feb '20)	*Activation took place outside the Gautrain station in Sandton.	
	Number of members recruited and retained	*Recruit at least 200 new members for the year	*55 new members recruited during the quarter	*44 new fully paid up members recruited	
		*Retain at least 80% of all members due for renewal for the year	*80% of all members due for renewal renewed membership	*67% of all members due for renewal, renewed their membership	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
Financial Management: 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	100% accurate and correct processing of all financial transactions - unqualified opinion and clean audit reports for 2018/19 financial year end audit – Annual Financial Statements	*100% accurate and correct processing of all financial transactions during each quarter	*All financial transactions correctly and accurately processed during Q3;	
Risk Management	Approved annual strategic risk register and quarterly risk management reports	100% compliance	100% compliance	Risk Register finalized and updated for the quarter	
*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 (RSA Made) – percentage growth annually	*20 % growth in number of products and/or services registered on the platform per annum	5% growth per quarter	19% decline in the number of products and/or services registered	
	*Growth in sales of products on the online shopping platform (RSA Made)	*30% growth in sales on the RSA Made platform year on year	7.5% growth per quarter.	5% growth in sales, quarter on quarter	
Human Resources Management: Organisational structure is always aligned to organisational strategy	Extent (Percentage) of alignment of the functional organogram with the approved strategy	*Organogram with positions informed by the organisational strategy and aligned completely	*100% alignment of organogram to the strategy in every quarter	*Organogram fully aligned (100%) to the strategy	
	*Percentage of critical positions filled	*All (100%) critical positions filled at all times	*All (100%) critical positions filled during the quarter	*2 managerial vacancies existed during the quarter	

Strategic objective /outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q4 target)	Actual Achievement (Q4)	Reason for Variance
Performance Management	Performance management system to set and evaluate performance targets and levels every 4 months	Performance Agreements signed and all personnel assessed every 4 months during a 12-months Performance Cycle that runs from August 2019 to July 2020. Performance across all departments is not lesser than 70%	100% compliance	35% compliance	Finalisation of performance appraisals for the last cycle postponed due to COVID-19 lockdown regulations
Quality Management System in place	ISO 9001-based system in place and organisational activities in line with the system policies, processes and procedures	Migrate to ISO9001 of 2015 Standard and monitor continued compliance to the requirements	100% compliance	100% compliance	
Compliance to Statutory Requirements	Comply 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, Employment Equity, and Occupational Health and Safety requirements	100% compliance	95% compliance	EE Report was not submitted due to COVID-19 lockdown regulations

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			There is a Chief Financial Officer even though Proudly SA is not a public entity
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		Does the audit committee review the following:				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
			• 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, coordination 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.	X			
	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 X 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		<p>Has the internal audit function prepared a three-year strategic internal audit plan based on the risks facing the public entity?</p> <p>Does the internal audit function report to the audit committee detailing its performance against the plan?</p>	X X			<p>The internal Audit plan approved by the Audit committee is a rolling 3-year plan</p> <p>All internal audit reports are tabled at the Audit Committee and the Auditors report to the committee on all their work, including tabling their quarterly progress against the approved audit plan</p>
	TR 27.2.10		<p>Does the internal audit function evaluate the following:</p> <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			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

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	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. 	X			<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 28.15; A financial plan addressing - <ul style="list-style-type: none"> revenue, expenditure and borrowings; asset and liability management cash flow projections; capital expenditure programmes; and dividend policies 	X			<ul style="list-style-type: none"> The approved strategic plan and business plan has been submitted to the dti as the Executive Authority strategic plan 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 dti 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?	X			Specific to Schedule 3 non business entities, however Proudly SA does submit its budget to the dti as required as per the MoA
	53(2)		Was the budget submitted to the executive authority via the accounting officer of the department designated by the executive authority?	X			Specific to Schedule 3 non business entities and not applicable to Proudly SA, however Proudly SA does submit its budget to the dti 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 30.11		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?			X	Specific to Schedule 3 non business entities and not applicable to Proudly SA, however a strategic plan was submitted as per the MoA
	TR 30.12		Was the final strategic plan submitted to the executive authority before 1 April?			X	Final strategic plan submitted as per requirements contained in the MoA
	TR 30.1.3		Does the strategic plan: <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. Is the strategic plan updated on an annual basis?	X X X X X X			The Strategic plan approved by the Board does cover all the areas as required by the Treasury Regulations

PFMA for Public Entities: Management of Working Capital

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	38(1)(j)		<p>Has the public entity submitted a written assurance to the transferring department to the effect that the entity has and maintains effective, efficient and transparent financial management and internal control systems?</p>	X			A written assurance is submitted to the dti in the form of a letter confirming compliance with Section 38(1)(j) of the PFMA on a quarterly basis
	51(1)		<p>Does the public entity:</p> <ul style="list-style-type: none"> • have an appropriate procurement and provisioning administration system, which is fair, equitable, transparent, competitive and cost-effective? • have a system for properly evaluating all major capital projects prior to a final decision on the project? • collect all revenue due? • Have mechanisms in place to prevent irregular and fruitless and wasteful expenditure? • Manage available working capital efficiently and economically? 	X X X X		X	<p>The procurement system is in line with section 217 of the constitution, and is fair, equitable, transparent, competitive and cost-effective. The SCM policy has been revised to ensure full compliance with the PFMA and has been approved by the Board</p> <p>There are currently no major capital projects</p>

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> <ul style="list-style-type: none"> • The terms and conditions on which the money was borrowed? • 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
			<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 dti 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 dti
	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 dti, 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 dti 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>	X		X	No material losses incurred through criminal conduct and fruitless expenditure (penalties) incurred during the previous financial year reported as such No criminal charges instituted as no such loss was incurred Proudly SA does not have any subsidiaries
	TR 27.1.7		<p>Does the annual report contain a disclosure to the effect that the audit committee has adopted a formal terms of reference</p>	X			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 dti to enable the Minister to table this if the need arises
	TR 27.1.10		<p>Did the audit committee comment on its evaluation of the public entity's financial statements?</p>	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 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. 	<p>X X X X X</p>		<p>X X X</p>	<p>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</p>
	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 312.1	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 dti as per the MoA
3.	TR 313.1 TR 313.2	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 2020

Risk No	Objective (Strategic/Operational)	Risk Category	Risk Description	Impact	Likelihood	Inherent risk	Current controls	Perceived control effectiveness	Residual risk	Risk owner	Actions to improve management of the risk	Action owner	Time Frame
	Educate consumers on the importance of buying local- influencing 'Buy Local' purchase behaviour Promoting the country of origin label to improve fair and legal trade	Strategic Risk	Insufficient financial resources to roll out consumer education and awareness campaigns to reach wider scale of the market Effectiveness of the current campaigns and lack of measurement thereof Insufficient products available to consumers at point of sale	Major Moderate Major	Common Moderate Likely	High Medium High	Sponsorship and strategic partnerships to implement to consumer education Improved value proposition to attract high value members Dipstick surveys; Post event surveys; Debriefs; Lessons learnt Improved value proposition to attract high value members especially with retailers & manufacturers	Good Good Satisfactory	Medium Low Medium	CFO/MANCO Executive Manager; Marketing & Comms Executive Manager; Membership, Legal & Compliance	Revenue generation strategy to be implemented Stakeholder engagement Membership to convert/approach former members	CFO/MANCO	Ongoing 31 March 2020 Ongoing
	Growing the database of South African supplier products and services for local procurement	Strategic Risk	Lack of segmentation of the target market and content of the material presented Insufficient manufacturing major players coming on board and not all sectors are covered	Moderate Major	Moderate Likely	Medium High	Segmentation of public and private sectors & consumers Focused membership/recruitment drive; Improved value proposition to attract high value members	Very good Satisfactory	Low Medium	MANCO Executive Manager; Membership, Legal & Compliance Executive Manager; Membership, Legal & Compliance	Integration with National Treasury's CSD Maintaining current efforts (clothing retail) and increasing focus on the FMCG	Executive Manager; Membership, Legal & Compliance Executive Manager; Membership, Legal & Compliance	31 March 2020 31 March 2020

Risk No	Objective (Strategic/Operational)	Risk Category	Risk Description	Impact	Likelihood	Inherent risk	Current controls	Perceived control effectiveness	Residual risk	Risk owner	Actions to improve management of the risk	Action owner	Time Frame
			Imminent POPI Act	Moderate	Moderate	Medium	Training to implement best practices	Satisfactory	Low	Executive Manager: Membership Legal & Compliance; Manager HR & Administration	Monitoring the regulation/compliance Creating internal capacity within the organisation	Executive Manager: Membership Legal & Compliance; Manager HR & Administration	31 March 2020
	Financial Management	High-level Operational Risks	Business Continuity	Major	Moderate	Medium	Backups of core systems: Antivirus software: 24 hour security with armed response; insurance	Satisfactory	Medium	CEO	Disaster recovery site to be identified and secured	CEO	31 March 2020
			Fraud & corruption	Major	Moderate	Medium	Fraud prevention plan; Tip-offs anonymous; Procurement Policy; Delegation of Authority	Satisfactory	Medium	CFO/CEO			Ongoing
			Lack of IT capacity and intelligence	Moderate	Moderate	Medium	Website with the search facility; IT Framework & Strategy	Satisfactory	Low	CEO	From smart partnerships with stakeholders	CEO	Ongoing

PROGRESS AGAINST POST-AUDIT IMPLEMENTATION PLAN - 2018/19

No.	Finding	Corrective Action (Plan)	Status
1.	Certain board members did not appear on CIPC company registration document but they were disclosed in the Annual Financial Statements as directors	The Board Secretariat will liaise with CIPC to add board members not appearing on Proudly SA's CIPC document	Confirmation received from CIPC that Director Amendments have been lodged.
2.	Member fees are determined on the financial performance of the prospective members, however some members did not submit their annual financial statements during the renewal application process	The membership consultant will obtain JSE listed member companies' AFS's on their respective websites.	Completed, corrective action is in place

FINANCIAL REPORT

Financial report - expenditure vs budget (Quarter 4 – 1 January to 31 March 2020)

Description of item	Budget for the quarter (Q4) Rands	Actual for the quarter (Q4) Rands	Variance for the quarters (Q4) Rands	% Variance	Reason for Variance	Annual Budget Rands	YTD Actual (31 March 2020) Rands	YTD Variance (31 March 2020) Rands
INCOME								
Membership Fees	970,000	446,493	(523,507)	(54%)	Due to tough economic conditions	3,880,000	3,260,142	(619,858)
Grant – the dti	0	0	0	0%		32,623,000	32,623,000	0
Project based funding - UNOPS	0	0	0	0%		0	0	0
Sponsorship	9,000,000	700,000	(8,300,000)	(92%)	The 2020 BLSE was postponed due to the Covid-19 pandemic	16,500,000	5,700,000	(10,800,000)
Other Income	0	126,851	126,851	100%	Interest income & sale of promotional items	0	596,964	596,964
Total Income	9,970,000	1,273,344	(8,696,656)	(87%)		53,003,000	42,180,105	(10,822,895)
EXPENDITURE								
HR and Staffing costs	5,800,495	5,204,983	595,512	10%	Restructure within the HR Department & vacancies	24,371,978	22,732,957	1,639,021
Administrative costs	1,478,783	1,279,925	198,858	13%	Cost cutting exercise undertaken	6,855,797	5,091,706	1,764,091
Membership costs	120,689	69,787	50,903	42%	Cost cutting exercise undertaken	482,758	346,703	136,055
Marketing costs	10,430,725	2,599,041	7,831,684	75%	The 2020 BLSE was postponed due to the Covid-19 pandemic	19,840,725	7,216,132	12,624,593
Capital Expenditure & IT	623,936	484,466	139,470	22%	Leasehold improvements	1,451,742	1,503,950	(52,208)
Total Expenditure	18,454,627	9,638,201	8,816,426	48%		53,003,000	36,891,450	16,111,550

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