



PROUDLY 
SOUTH AFRICAN

QUARTERLY REPORT

1 JULY - 30 SEPTEMBER 2019

Quarter 2

2019/20 Financial Year



PROUDLY SOUTH AFRICAN
 Quarterly Report for Q2 (1 July to 30 September 2019)

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: ___/___/2019	Rank: Chairperson	Date: ___/___/2019

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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.
SAPS	South African Police Service.
SARS	South African Revenue Service.
SOEPF	State Owned Enterprises Procurement Forum
the dti	Department of Trade and Industry, a national government department in the Republic of South Africa.
The Summit	The Local Procurement Summit & Expo.
UN	United Nations.

EXECUTIVE SUMMARY

This report covers the period 1 July – 30 September 2019 and focuses on various highlights during the period:

Expectations that government would go ‘full steam ahead’ with policies outlined in its election manifesto were somewhat dampened as the economy continued to stumble in the quarter in review. In July, SACCI’s Business Confidence Index fell 2.7 points below the same month in 2018.

Although inflation fell 0.5% in July, the trade deficit shocked economists, coming in at R2.88bn, as imports exceeded exports. In the same month, job loss figures for the 2nd calendar quarter revealed that the blood bath was continuing, with manufacturing contributing the greatest losses at 15 000 with business services losing 14 000, trade 10 000 and the construction sector 9 000 jobs.

Towards the end of August, The Minister of Finance, Mr Tito Mboweni published a blueprint for economic transformation, inclusive growth and competitiveness – his vision to kick start the SA economy in the short term and to ensure sustained growth in the long term. Whilst it appeared to be neither a policy document nor a government paper, Proudly SA nevertheless made its submission on the content as invited by the Minister. The plan outlines concrete measures with achievable goals, and with the political will to accompany it, we could begin to turn the economy around. August nevertheless saw inflation rise by 0.3% after its July drop and SACCI’s Business Confidence Index fell to one point above its lowest recorded level ever.

Towards the end of the quarter in review, increased unrest around social injustices, xenophobia once again raising its head around the country and a series of disturbing acts of violence against women, led to widespread protests, and negative sentiment around the future of the country prevailed in the public domain.

Externally, Brexit, increased USA/China trade tensions and geo-political instability elsewhere upset energy prices and economies and exchange rates around the world remained volatile.

It is clear that in order to turn our economy round and to stem the tide of job losses ‘something has to give’ and that it is no longer business as usual. Proudly SA continues to fight the localisation battle and is gratified that the issue has been placed on both the Treasury and the Presidency’s agenda. Together with the ongoing support of the **dti**, we believe the role of Proudly South African has never been more important.

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 22 August 2019 and considered the following:

- The meeting approved the Quarterly Report.
- Board Members were requested to submit amendments to the non-financial content of the Annual Report/
- The Annual Financial Statements were presented to the Board. The Board perused them and approved them on the recommendation from the Audit and Risk Committee. The Board noted that the report was unqualified.
- Board Members were presented with a comprehensive list of potential members that Management was pursuing and they were requested to assist with introductions.
- The Board received an update on the Import Replacement Project. The list was now reduced to 16 high value imports which were being targeted for import replacement with local products.

3.2) AUDIT AND RISK COMMITTEE

The members of the Audit and Risk committee held their meeting on 23 July 2019 and the meeting considered the following:

- The Committee received an update on the Board Evaluation process.
- The Committee was introduced to Virgil Accounting Services who were appointed as Internal Auditors after a tender process was concluded.
- The outgoing Internal Auditors presented audit reports on the Supply Chain Management Process and the Financial Disciplinary Review.
- The External Auditors presented the Management Letter. The Committee was pleased that there were only 2 findings and that the report was unqualified.
- The Committee discussed the Annual Financial Statements for the year 2018-2019 and agreed to recommend them to the board for approval.
- The Committee noted the Quarterly Risk Management Report.

3.3) Finance and Procurement Committee

The members of the Finance and Procurement committee held their meeting on 7 August 2019 and the meeting considered the following:

- The Committee noted Management's drive to secure sponsorship for a Buy Local Summit and Expo in KwaZulu Natal and the discussions underway with MEC for Economic Development in that province.
- The Committee noted that the membership targets were being met but it was not meeting the Rand Value target.
- The Committee noted the Management Accounts and the Cash Flow.
- The Committee noted the Draft Annual Financial Statements.
- The Committee agreed to submit their inputs and comments to the RFP for Internal Audit Services.

3.4) MEMBERSHIP, MARKETING AND COMMUNICATIONS COMMITTEE

The members of the Membership, Marketing and Communications Committee held their meeting on 7 August 2019 and the meeting considered the following:

- The Committee noted that Proudly SA had not been included in the feedback meeting with the President regarding the Job Summit Commitments and suggested that Proudly South African request to be part of the Business delegation as well as request NEDLAC to be included in the Jobs Summit Task Team.
- The Committee received the Membership Report and noted that high value members like the Lewis Group and Vitafoam had joined.
- A prospective member list was presented by management and Board Members were requested to assist with introductions.
- The Committee received the Marketing Report which included a report on a successful Furniture Sector Forum. The Committee noted its concern that National Sports Teams were not wearing local kits.
- The Tender Monitoring process was continuing and 176 of the 260 tenders were deemed to be compliant.
- The Committee received a report on the Import Replacement Project.

3.5) HR AND REMUNERATIONS COMMITTEE

The members of the HR and Remunerations Committee held their meeting on 7 August 2019 and the meeting considered the following:

- The Committee received reports on Staff Movement, Training and Development as well as Staff Retention.
- The Committee noted the organogram.
- The Committee noted that the organisation had received its 2019 Tax Clearance Certificate.

3.6.) SOCIAL AND ETHICS COMMITTEE

The members of the Social and Ethics Committee held their meeting on 7 August 2019 and the meeting considered the following:

- The Committee reviewed and noted the Social and Ethics Committee checklist.
- The Draft Code of Conduct for Board Members was noted.

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 second 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 MTN Walk The Talk and DSTV Delicious Festival pre and post event advertising.
- Below the Line activities reached more than 2 million consumers through Heritage Month activities, Furniture Sector Forum, Women's day event, the CEO's weekly columns, various press releases and opinion pieces.
- Proudly SA participated in four (4) Expos namely Tops At Spar Wine Show, Sustainability Summit, Business Show SA and Decorex.
- One (1) CSI activity took place in Q2 – The Mandela Library Project at a school in Thokoza.
- Proudly SA hosted three (3) Business Forums, one each in Gauteng (Pretoria), KZN (Umhlanga), & W/Cape (Mossel Bay).
- Proudly SA hosted four (4) Public Sector Forums, one each in Limpopo (Polokwane), KZN (Umhlanga), W/Cape (Cape Town) & North West (Mahikeng).
- Proudly SA hosted a Furniture Sector Specific Forum - which highlighted the importance that localization has on the entire value chain in this industry.
- The target of recruiting 55 new fully paid up members was exceeded as 85 members were recruited during the quarter.
- The database of locally made products and services grew by an additional 1 645 new products with the database now having 12 948 products and services.
- 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. 606 tenders/request for proposals (RFP's) were identified through the tender monitoring system in Q2 whereas the target was 300.
- Proudly SA secured localisation commitments in support of the furniture industry from three (3) Retailers, one (1) raw material Supplier and two major banks.
- As part of our on-going efforts to educate shop stewards in all labour federations. Proudly SA presented at various events hosted by unions that are part of FEDUSA, NACTWU and COSATU.

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

- Only participated in two (2) instead of three (3) Proudly SA Heritage Month Activities – The Fashion Show was postponed to Q3.
- Four (4) campaigns with radio stations were planned but only one (1) materialised. The Festive Season Campaign to be rolled out in Q3 will incorporate campus radio & youth stations.
- Only one (1) sector specific forum was held namely the Furniture sector and the Automotive sector forum was postponed pending engagements with NAAMSA.
- No presentation was made to a metropolitan council – The CoJ postponed event due to government's austerity measures.
- The target of 80% membership retention/renewal rate was not achieved as 70% was achieved, mainly due the tedious/time consuming renewal process.
- Proudly SA did not attend a Nedlac Task team meeting on Anti-piracy as the Task team has concluded its work and a report will be issued to Nedlac.
- No member companies have been integrated with the CSD to date, the system will go live in December 2019.
- Presentations to two (2) business chambers/associations/industry events were planned but only one (1) took place – however the full financial year target of four (4) will be achieved.





4.3) MEMBERSHIP REPORT FOR Q2 2019/20

Overview

The Proudly South African membership base is growing at a steady pace with 1,620 companies currently registered as members of the Campaign.

In quarter two of 2019/2020, a total of 85 new members were recruited, predominantly from Gauteng at 53 and from all the other provinces except the Northern Cape.

Quarter two saw 36 members recruited in Manufacturing, 14 in Professional Services and 11 in Food Products. Members were mostly recruited in the SMME classification, followed by four members from the Diamond category namely PG Bison, Lewis Stores, VitaFoam and Chubby Chick. New recruits stemmed mostly from consultant-generated leads as well as referrals from members within the Diamond category.

The rate of retention of member companies for the current quarter is at 70% due to the thorough renewal process which generally endures for a period of three months. The target of the number of local products and services listed on Proudly SA's database for this quarter was exceeded by 1,316%.

QUARTER 2 HIGHLIGHTS

New Members	
Target	55
Achievement	85
Renewal Rate (in percentage)	
Target	80%
Achievement	70%
Database of Local Products and Services	
Target	125
Achievement	1,645

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

Classification of Members		
Category	SMMES <i>Small, micro and medium enterprises turning over less than R5 million per annum and organisations including foundations, councils, associations, and not-for-profit institutions</i>	Annual membership fee payable (excluding VAT) R500.00
	Bronze <i>Organisations turning over between R5 million and R10 million per annum</i>	R1,000.00
	Silver <i>Companies turning over between R10 million and R30 million per annum</i>	R10,000.00
	Gold <i>Companies turning over between R30 million and R50 million per annum</i>	R20,000.00
	Platinum <i>Companies turning over between R50 million and R100 million per annum</i>	R50,000.00
	Diamond <i>Companies turning over R100 million or more per annum</i>	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 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 Q2 NEWLY-RECRUITED MEMBERS

Year-on-year Comparisons: 2010/2011 to 2019/2020

Month	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
July	4	2	51	16	16	20	20	15	16	31
August	7	10	46	8	10	27	11	18	20	28
September	4	2	22	27	21	6	18	17	21	26
TOTAL	15	14	119	51	47	53	49	50	57	85

2019/2020 Q2 NEWLY-RECRUITED MEMBERS

Company	Sector	Province	Classification	Lead Origin
July				
Acacia Field Wear (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Aligeo Khaya B and B Trading Enterprise t/a Aligeo Guest House	Tourism, Travel and Hospitality	Eastern Cape	SMME	Beneficiary of Diamond
ATE Kitchens	Food Products	Gauteng	SMME	Beneficiary of Diamond
Atlas Paint Manufacturers (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
BONGA-U-ESI Trading Enterprise CC t/a B.U.E Landscaping and Design	Professional Services	KwaZulu-Natal	SMME	Beneficiary of Diamond
Buzwe Bethu Trading	Media, Marketing and Publishing	Gauteng	SMME	Consultant-generated
Cabinet Connexion t/a Denic Cabinets	Manufacturer	Gauteng	SMME	Consultant-generated
Chair Club (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Chumile Holdings t/a Chumile				
Travel and Tours	Tourism, Travel and Hospitality	Eastern Cape	SMME	Beneficiary of Diamond
Duke Native (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Fashion Force Wear Branding	Manufacturer	Gauteng	SMME	Beneficiary of Diamond
Great Premier Solutions	Manufacturer	Gauteng	SMME	Consultant-generated
Green Touch Carpet Care (Pty) Ltd	Professional Services	Gauteng	SMME	Beneficiary of Diamond
KC Hatchery	Agriculture	Limpopo	SMME	Consultant-generated
Letcom Group t/a At The Rocks Lodge	Tourism, Travel and Hospitality	Gauteng	SMME	Beneficiary of Diamond
LNL Group (Pty) Ltd	Professional Services	Eastern Cape	SMME	Beneficiary of Diamond

Company	Sector	Province	Classification	Lead Origin
July continued...				
Neo Tse Ntle (Pty) Ltd	Wholesale and Retail Trade	Gauteng	SMME	Consultant-generated
PG Bison a division of KAP Diversified Industrial (Pty) Ltd	Manufacturer	Gauteng	Diamond	Referral
Reata Services	Professional Services	Mpumalanga	SMME	Beneficiary of Diamond
Samke Style	Manufacturer	Gauteng	SMME	Beneficiary of Diamond
Sarkhot & Associates	Professional Services	KwaZulu-Natal	SMME	Consultant-generated
Sesfikile Wine Services	Food Products	Western Cape	SMME	Beneficiary of Diamond
Signature Room	Professional Services	Mpumalanga	SMME	Beneficiary of Diamond
Spice 4 Africa	Food Products	Gauteng	SMME	Consultant-generated
Sutonimo Africa (Pty) Ltd	Manufacturer	Western Cape	SMME	Consultant-generated
Sydney 905 Filters	Manufacturer	KwaZulu-Natal	SMME	Enquiry
The Espresso Studio	Information Technology and Telecommunication	Free State	SMME	Beneficiary of Diamond
The Modern Man	Manufacturer	KwaZulu-Natal	SMME	Beneficiary of Diamond
Thola Africa NPC	Information Technology and Telecommunication	Gauteng	SMME	Consultant-generated
Tlhago Nature Travellers	Transport and Logistics	North West	SMME	Consultant-generated
Ululo Empowerment Technologies	Education, Development and Training	Eastern Cape	SMME	Beneficiary of Diamond

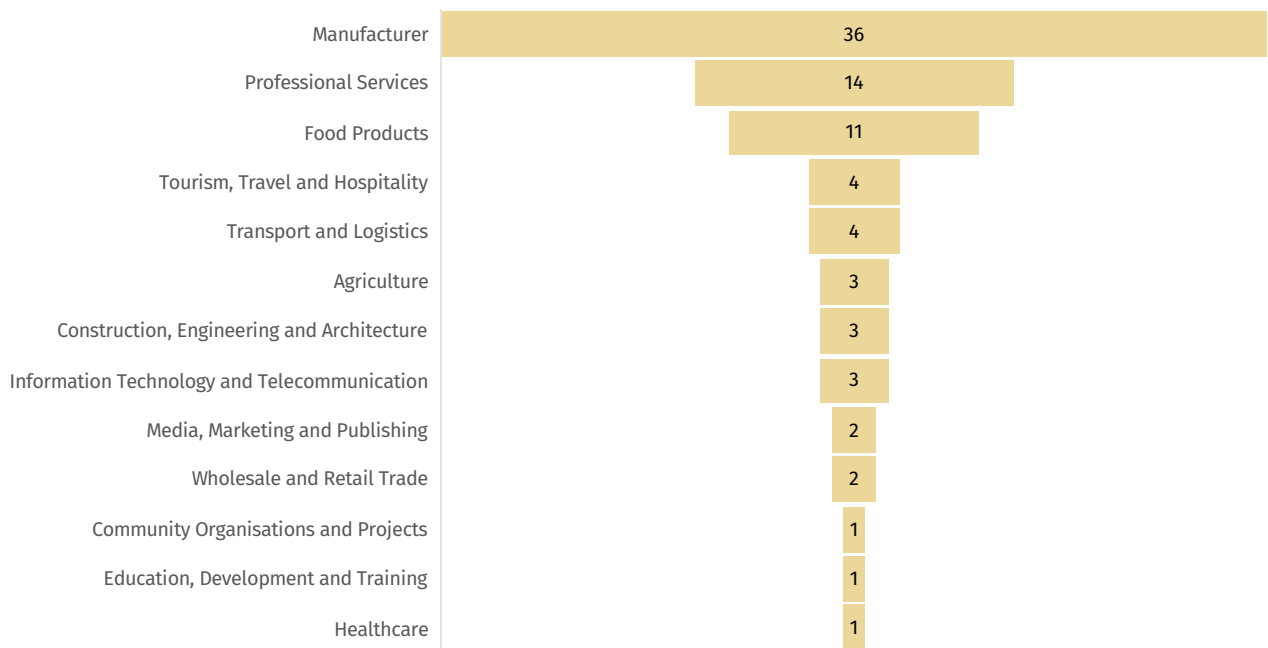
Company	Sector	Province	Classification	Lead Origin
August				
Blaqmor	Manufacturer	Mpumalanga	SMME	Beneficiary of Diamond
Body and Health	Manufacturer	KwaZulu-Natal	SMME	Consultant-generated
Box a Prezzi	Manufacturer	Gauteng	SMME	Consultant-generated
Camel Rock Trading 635 CC t/a House of Sewing	Manufacturer	Western Cape	SMME	Consultant-generated
Comfort Bedding Traders CC	Manufacturer	Gauteng	SMME	Consultant-generated
DS Internet Café	Professional Services	Mpumalanga	SMME	Beneficiary of Diamond
E The Planner (Pty) Ltd t/a E The Planner Wellness Company	Healthcare	Gauteng	SMME	Consultant-generated
Good Life Konzept	Manufacturer	Gauteng	SMME	Consultant-generated
KAP Bedding (Pty) Ltd t/a VitaFoam	Manufacturer	Gauteng	Diamond	Consultant-generated
kara Coffee t/a Green Coffee	Agriculture	Gauteng	SMME	Consultant-generated
Kea Tech Consulting (Pty) Ltd	Construction, Engineering and Architecture	Gauteng	SMME	Consultant-generated
KF Stitch Africa t/a Zwesa	Manufacturer	Gauteng	SMME	Consultant-generated
L and M Enterprises (Pty) Ltd t/a L and M Removals	Transport and Logistics	Mpumalanga	SMME	Consultant-generated
Lady on Life	Food Products	Gauteng	SMME	Referral
Leshego Ceramics and Pottery	Manufacturer	Mpumalanga	SMME	Beneficiary of Diamond
Lesiika (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Melfusion (Pty) Ltd t/a Imbo by Akhona	Media, Marketing and Publishing	Gauteng	SMME	Consultant-generated
Miante Manufacturing	Manufacturer	Gauteng	SMME	Consultant-generated
Minnies Food Enterprise	Food Products	KwaZulu-Natal	Gold	Consultant-generated
National Mentorship Movement	Community Organisations and Projects	Gauteng	SMME	Event
New Heights 1973 CC	Construction, Engineering and Architecture	Mpumalanga	SMME	Beneficiary of Diamond

Company	Sector	Province	Classification	Lead Origin
August continued...				
New Heights 1973 CC	Construction, Engineering and Architecture	Mpumalanga	SMME	Beneficiary of Diamond
OIC Tools	Manufacturer	Gauteng	SMME	Consultant-generated
Rockaville Transport & Projects	Transport and Logistics	Gauteng	SMME	Beneficiary of Diamond
Roscco Motors t/a Roscco Car Rental, Shuttle & Tours	Tourism, Travel and Hospitality	Gauteng	Bronze	Enquiry
Simplex-ICT (Pty) Ltd	Information Technology and Telecommunication	Western Cape	SMME	Consultant-generated
The Ottoman Empire t/a CNC Workshop	Manufacturer	Western Cape	SMME	Referral
The Soap Cycle	Manufacturer	Gauteng	SMME	Consultant-generated
Threebosses (Pty) Ltd	Construction, Engineering and Architecture	Gauteng	SMME	Consultant-generated

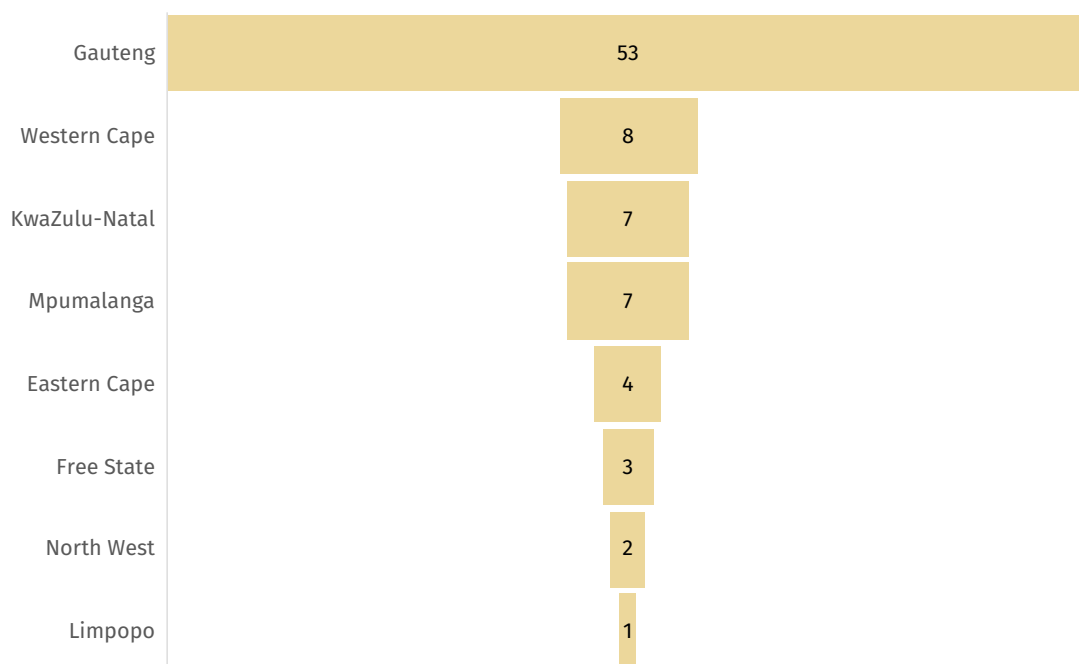
Company	Sector	Province	Classification	Lead Origin
September				
Abantu GlobalBizz Connex	Professional Services	Gauteng	SMME	Consultant-generated
African Growth Enablers (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant-generated
Armatech Security Products (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
BAAA Enterprises	Food Products	Gauteng	SMME	Consultant-generated
Benji and Moon (Pty) Ltd	Food Products	Gauteng	SMME	Consultant-generated
Bio Lotion Cosmetics (Pty) Ltd t/a Bio Tissue	Manufacturer	Gauteng	SMME	Referral
CGF Research Institute (Pty) Ltd t/a Corporate Governance Framework	Professional Services	Gauteng	SMME	Referral
Designer Water (Pty) Ltd	Food Products	Gauteng	SMME	Consultant-generated
Durban Weekend	Manufacturer	KwaZulu-Natal	SMME	Beneficiary of Diamond
Fourie's Poultry Farms (Pty) Ltd t/a Chubby Chick	Agriculture	North West	Diamond	Referral
iGemmer Beverage Solutions	Food Products	Gauteng	SMME	Consultant-generated

Company	Sector	Province	Classification	Lead Origin
September continued...				
Khanda Seating	Manufacturer	Gauteng	Silver	Consultant-generated
Lewis Stores (Pty) Ltd	Wholesale and Retail Trade	Western Cape	Diamond	Referral
M6T Seal Cargo Services (Pty) Ltd	Transport and Logistics	Gauteng	Silver	Consultant-generated
Made by COCO	Manufacturer	Gauteng	SMME	Beneficiary of Diamond
Michael's Towing	Professional Services	Free State	SMME	Consultant-generated
Miss Eu Washable Pads and Panties	Manufacturer	Free State	SMME	Consultant-generated
Move Evolution Communication SA (Pty) Ltd	Professional Services	Gauteng	SMME	Consultant-generated
Nunuki for Little Humans	Manufacturer	Gauteng	SMME	Consultant-generated
Peppertree Bags CC	Manufacturer	Western Cape	SMME	Consultant-generated
Pestbuddies (Pty) Ltd	Manufacturer	Gauteng	SMME	Consultant-generated
Sithembisakhe Community Centre	Professional Services	Gauteng	SMME	Referral
Solithemba Holdings	Professional Services	Gauteng	SMME	Referral
Soulever Wellness CC T/a Bella Baci	Manufacturer	Western Cape	SMME	Consultant-generated
Studio 411 Eat-out	Food Products	Gauteng	SMME	Consultant-generated
The Curious Chef (Pty) Ltd t/a Curious Kids	Food Products	Gauteng	SMME	Consultant-generated

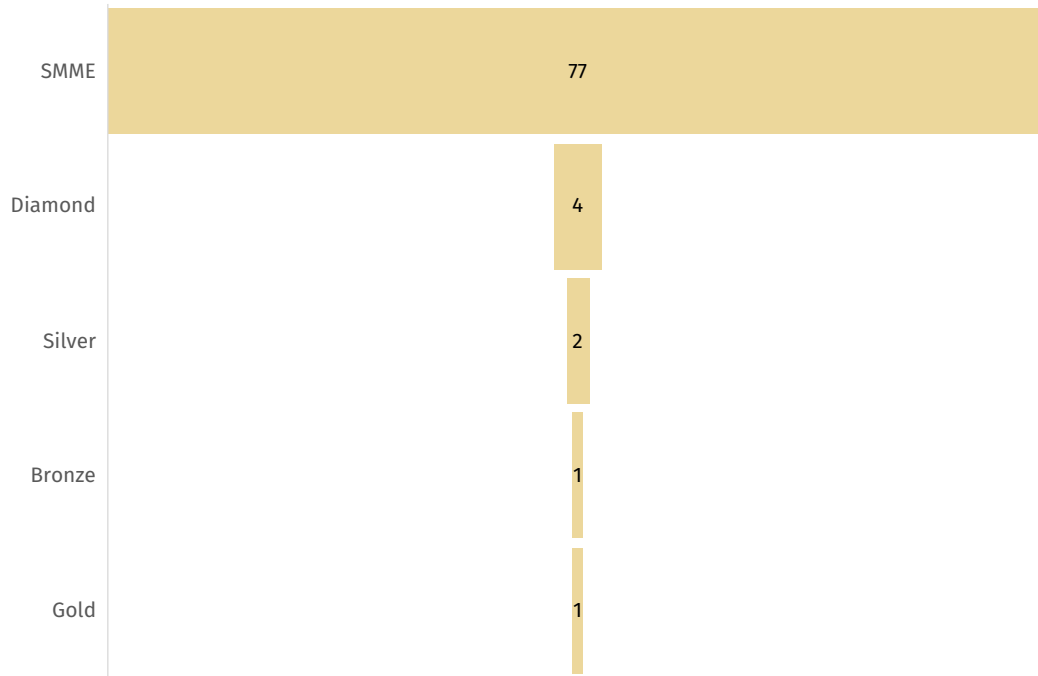
**2019/2020 Q2
NEWLY-RECRUITED MEMBERS BY SECTOR**



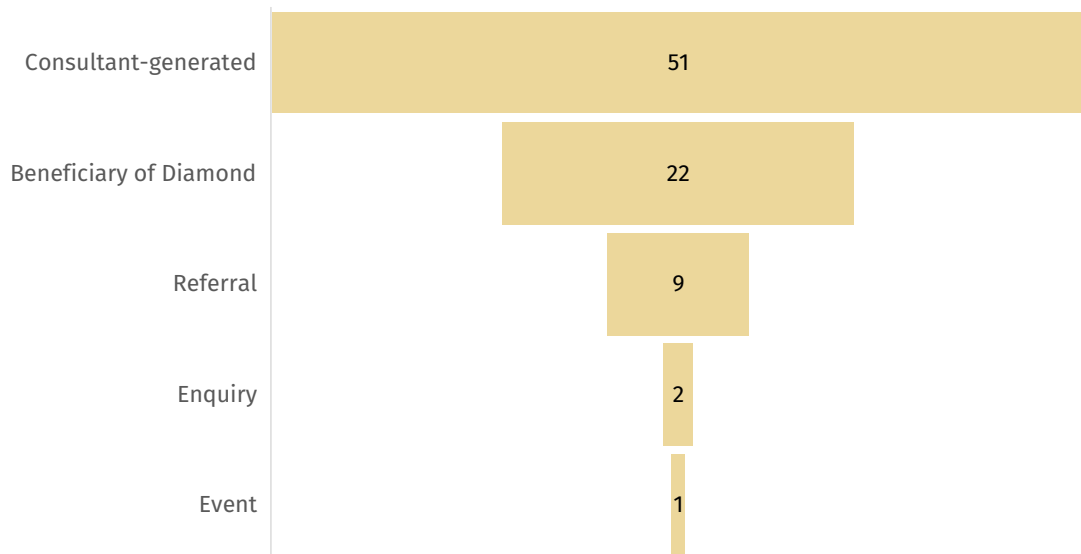
**2019/2020 Q2
NEWLY-RECRUITED MEMBERS BY PROVINCE**



**2019/2020 Q2
NEWLY-RECRUITED MEMBERS BY CLASSIFICATION**



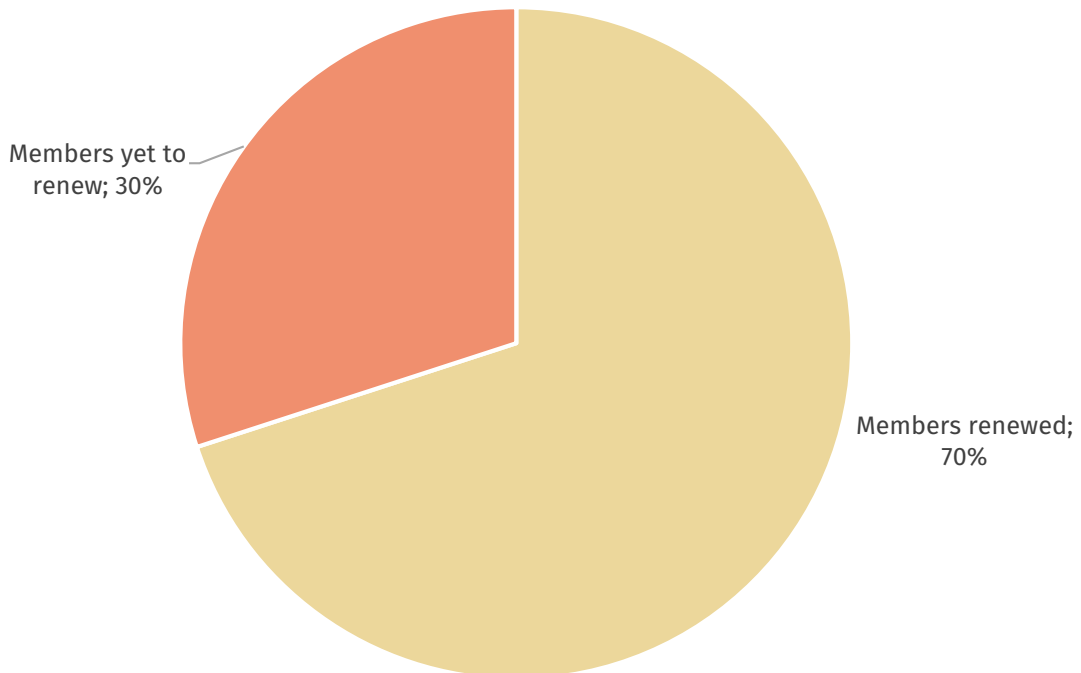
**2019/2020 Q2
NEWLY-RECRUITED MEMBERS BY LEAD ORIGIN**



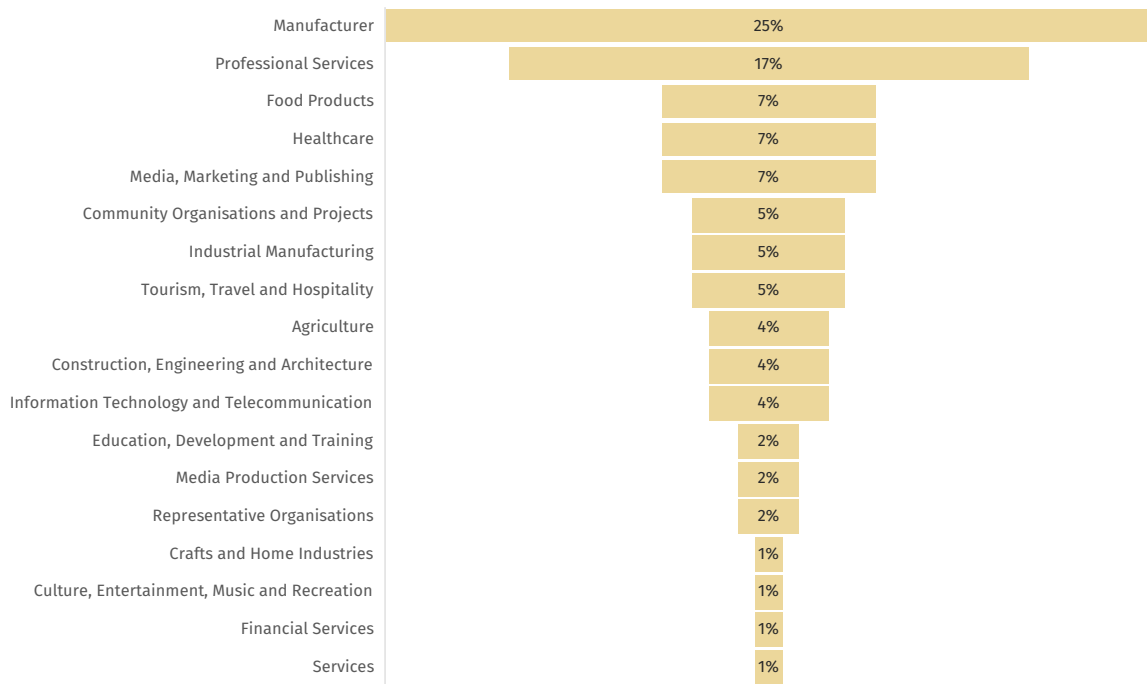
2019/2020 Q2 RENEWING MEMBERS

RENEWAL REPORT	
Renewal Rate:	70%
Target:	80%
REASON FOR DEVIATION	
Members' renewals remain a timeous process which can take up to three months to complete	
Number of cancelled memberships: 1 company	

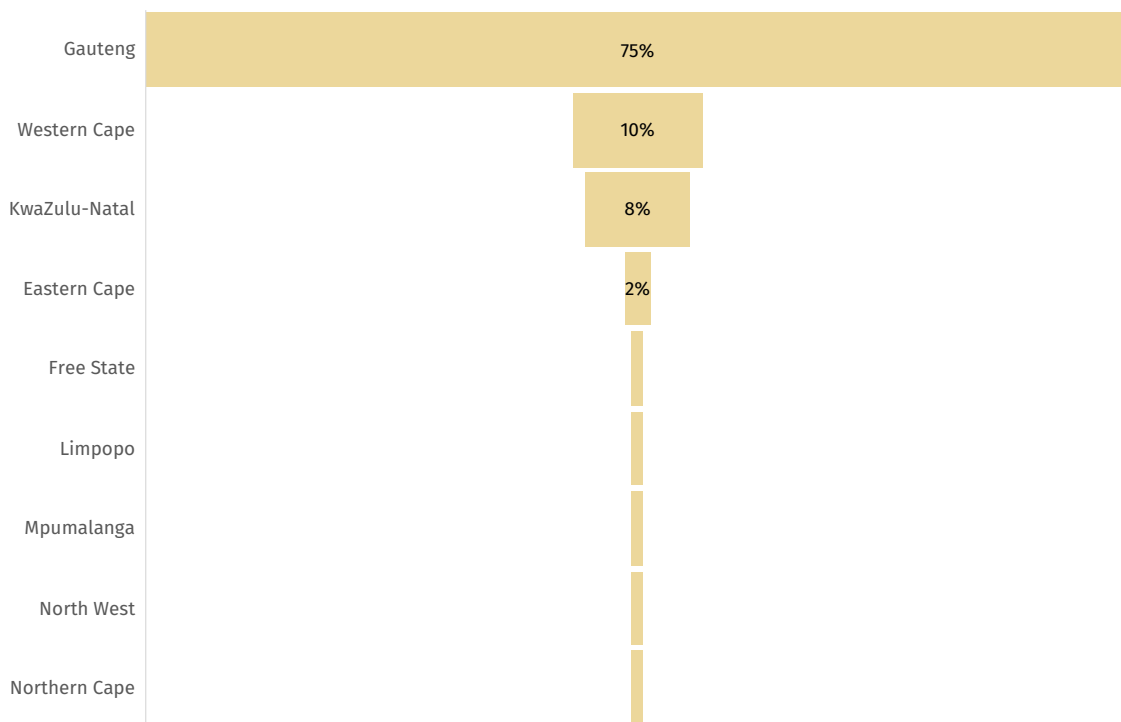
**2019/2020 Q2 MEMBERS RENEWED
V MEMBERS YET TO RENEW**



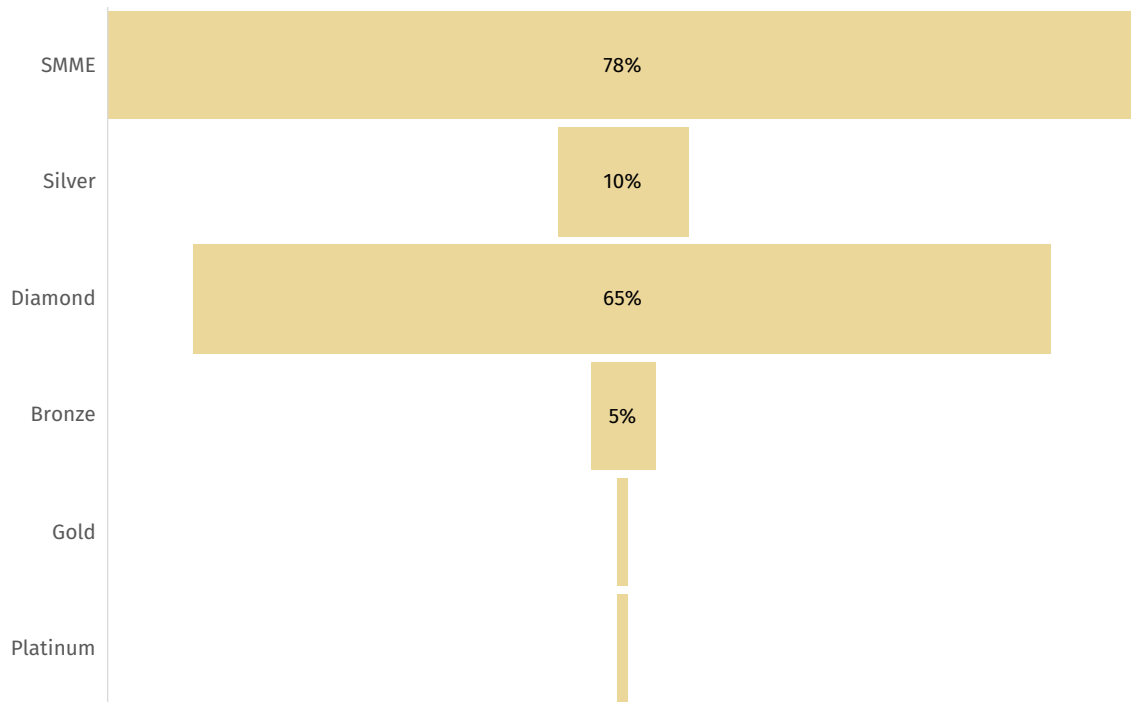
2019/2020 Q2 RENEWING MEMBERS BY SECTOR



2019/2020 Q2 RENEWING MEMBERS BY PROVINCE



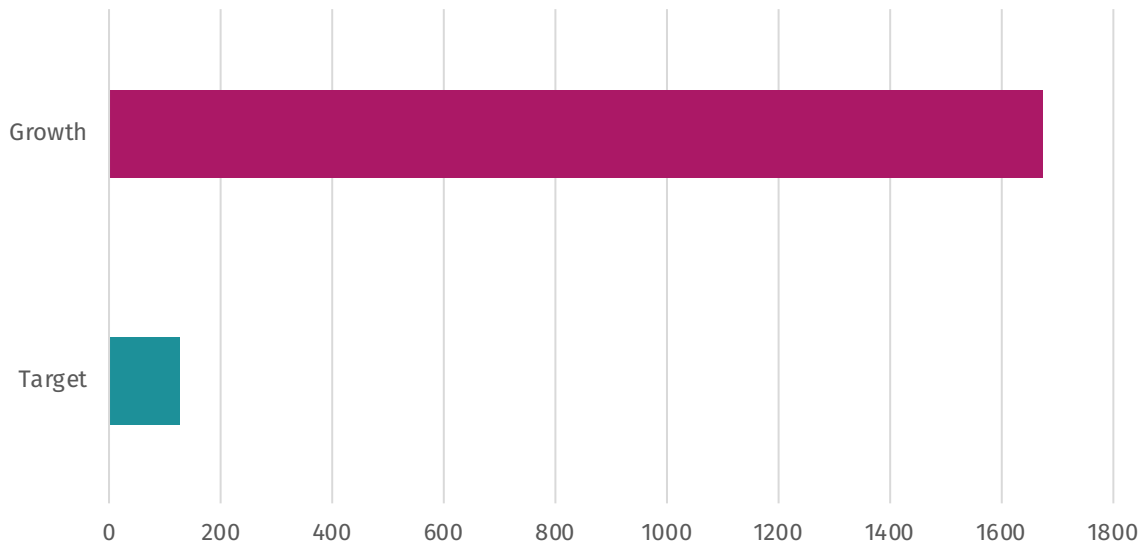
**2019/2020 Q2 RENEWING MEMBERS
BY CLASSIFICATION**



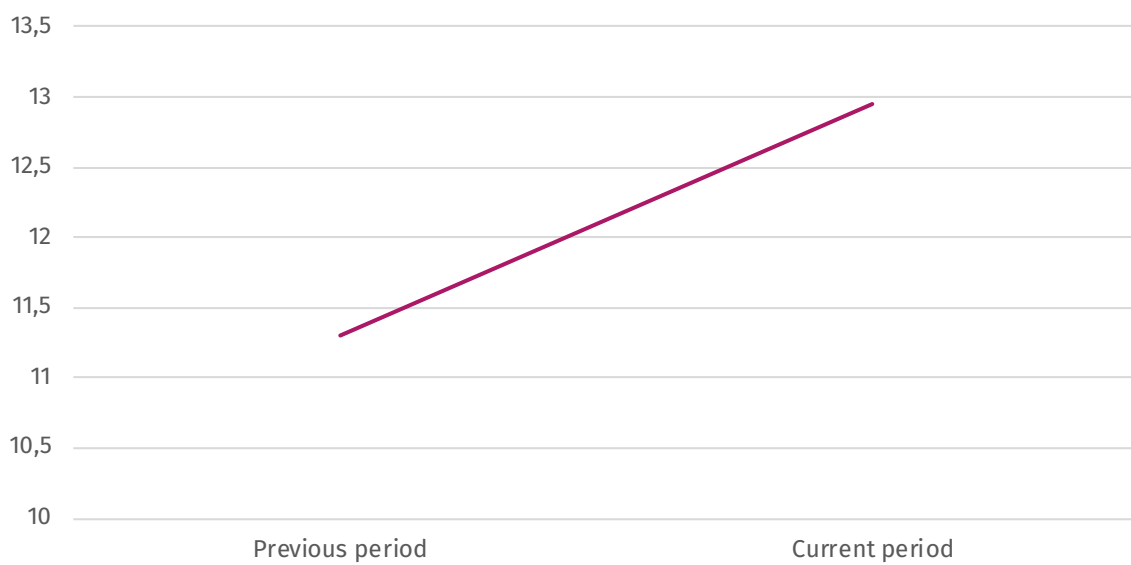
**2019/2020 Q2
PROUDLY SOUTH AFRICAN DATABASE OF LOCAL
PRODUCTS AND SERVICES**

PROUDLY SOUTH AFRICAN DATABASE	
Period	Number of Products and Services
Previous Quarter: 2019/2020 Q1	11,303
Current Quarter: 2019/2020 Q2	12,948
Current Period: 2019/2020 Q2	
Target	125
Number of Products and Service Added	1,645
Target exceeded by 1,316%	

**2019/2020 Q2:
DATABASE OF LOCAL PRODUCTS AND SERVICES TARGET V GROWTH**



**2019/2020 Q2:
DATABASE OF LOCAL PRODUCTS AND SERVICES GROWTH
COMPARED WITH PREVIOUS PERIOD**



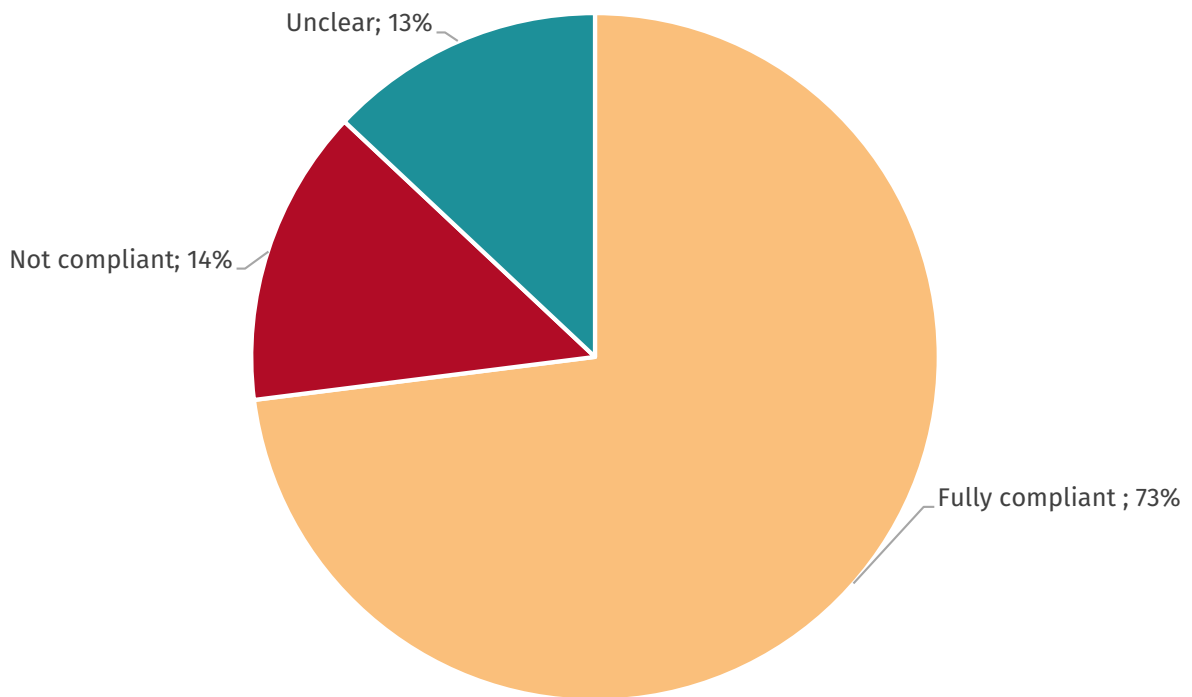
**2019/2020 Q2
TENDERS DESIGNATED FOR LOCAL CONTENT**

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 763 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 dti 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	
Fully compliant (compared with Q1 at 68%)	73%
Not compliant	14%
Unclear	13%

**2019/2020 Q2:
TENDERS IDENTIFIED FOR DESIGNATED SECTORS**



4.4) Highlights for the quarter

EVENTS AND ACTIVATIONS



BUSINESS SECTOR FORUMS

Our provincial business forums present the benefits of increased local procurement through an enterprise's entire supply chain for both that business and for the greater economic good of the country. They attract existing members and prospective members and are an opportunity for Membership to recruit. Speakers and panellists differ from province to province and are drawn from our partners and stakeholders, including the dti, SARS, SEDA and SEFA but in each case we provide delegates with information on financial and non-financial support programmes for SMMEs, membership case studies, legal advice on IP and a valuable business to business networking and matchmaking session at the end of the day.

Target audiences for all forums: SMMEs, entrepreneurs, business owners, members, non-members

Pretoria, Gauteng, 24 July 2019

With an above average attendance, this forum's keynote address was given by MEC Kgosientso Ramokgopa, who committed to signing a working agreement with Proudly SA, further strengthening the credibility of the campaign. In addition, The State Diamond Traders gave a presentation.

The panel discussion included Dept. Small Business Development, B-BBEE Commission, SARS, SEDA, as well as representatives from the dti and SEFA.

Attendance: 189



Umhlanga, KZN, 14 August 2019

Well attended by locally established SMMEs, this forum featured membership testimonials by Lasher Tools and INSA Group, both of whom spoke about how their companies benefit as Proudly South African members.

The MEC of Development of Economic Development Tourism and Environmental Affairs, Mrs Nomusa Dube- Ncube delivered the keynote address, and the panel discussed which followed featured representatives from the dti, SEDA, SEFA and the Department of Small Business Development. This was followed by a networking lunch for delegates and speakers.

Attendance: 90

Mossel Bay, Garden Route, W Cape, 28 August 2019

Our first Forum along the Garden Route was extremely well received, demonstrating the need to switch locations within the Provinces from time to time to gain maximum exposure for the Campaign. The Mossel Bay Chamber of Commerce supported the event and offered great assistance.

The economy of the Garden Route and Mossel Bay area is thriving and offered an opportunity to extend the geographical spread of membership in the W Cape. The programme of the forum also enjoyed the support of the Western Cape Provincial Government, the dti, Department of Small Business Development, B-BBEE Commission, SARS, SEFA and SEDA, and CIPC.

Attendance: 80





PUBLIC SECTOR PROCUREMENT FORUMS

Our Public Sector Procurement Forums focus on the roles and responsibilities of supply chain and procurement officials from all 3 tiers of government and SOEs in respect of the PPPFA, as well as speaking about our tender monitoring system. The forums go beyond designated sectors, however and demonstrate the importance and impact that strategic local procurement has on the economy.



Polokwane, Limpopo, 30 July 2019

Topics for discussion at this edition of our provincial public sector forums included compliance and procedure, what local procurement opportunities currently exist, what the key barriers are to unlock local procurement and how consistent information on procurement demand from the various industries can unlock local purchasing.

Proudly SA was joined by Cathrine Matidza of the dti (Director- Industrial Procurement Unit) and Mesatshwa Madondo from the SABS (Manager: Local Content), to address the benefits of increasing levels of local procurement through the entire value chain.

Attendance: 50



Umhlanga, KZN, 13 August 2019

MEC Pillay, the MEC for Finance in the KZN Provincial Government gave the keynote address and stayed on to listen to the remaining presentations. Other speakers included Mr Denesh Naidu of the SABS; Dr Tebogo Makube from the dti; Mr Joshua Govender of Comair and Ms Ntombifuthi Mhlongo from the KZN office at the Auditor General SA.

Speakers shared procurement targeted information concerning their respective organisations and highlighted the significance of localisation countrywide.

The event concluded with a robust Q&A session and media interviews.

Attendance: 39



Cape Town, Western Cape, 29 August 2019

The format of this event was a breakfast networking session with speakers including the Western Cape Government, Comair, the office of the Auditor General and SABS.

Speakers shared procurement targeted information concerning their respective organisations and highlighted the significance of localisation countrywide.

The event concluded with a robust Q&A session and media interviews.

Attendance: 45

Mahikeng, North-West, 12 September 2019

The good attendance at this forum was in part thanks to the assistance of SALGA North West who was instrumental in bringing delegates to the event including Mr Harry Mashao, Chief Director: Supply Chain Management in the Provincial Government.

Also represented were SABS, AGSA, and the dti. The emphasis of the presentations was on how public funds must be directed to grow the economy. The various challenges can be tackled when PPPFA guidelines are complied with, monitored by the AG SA.

Attendance: 50

SECTOR SPECIFIC FORUMS

Furniture Sector Forum, Johannesburg, 17 July 2019

Sponsored by PG Bison and in partnership with the dti and SAFI, the Proudly SA Furniture Sector Forum was held at The Canvas, Riversands.

This was an interactive, knowledge sharing platform with a 'buy-local' focus, aimed at improving market access conditions for furniture manufacturers whilst identifying areas which could contribute positively to both sector-specific and broader economic growth.

Local furniture industry experts presented on industry trends, forecasts, technological developments and related knowledge at specific topics within the market access strategy. There was wide representation and open discussions amongst retailers, manufacturers, raw material suppliers, corporate buyers, unions representatives, federations & government.

The panel discussion, led by Iman Rappetti, consisted of major players in the industry i.e. Lewis Group; Totem Designs; PG Bison; Lereko Furniture; FairPrice and the Manufacturing Circle.

Objectives were achieved in that our localisation pledge was signed by significant role players within the industry further committing themselves to increasing the levels of local content used in production processes and/or manufacturing output, and/or procurement of furniture items.

All partners agreed that the furniture industry has major potential to contribute positively to SA's economic growth, job creation, rural development and the development of Small, Micro and Medium Enterprises (SMMEs).

Action plans including policy interventions, industry recapitalisation and dissemination of government programmes to support the furniture industry. Penwell Lunga, chairperson of the board of SAFI, gave a summary of the day's proceedings to close the event

Attendance: 170



PROUDLY SA SUPPORTED EVENTS

WearSA Gala Dinner and Fashion Show, Durban, 12 July 2019

The WearSA Gala Dinner and Fashion Show took place at the Durban ICC, where Proudly SA CEO, Eustace Mashimbye, had the opportunity to introduce keynote speaker, Minister Ebrahim Patel. During his introduction, the CEO highlighted the role which the campaign plays in promoting localisation within the clothing and textile industry, as well as the importance of responsible consumer purchasing decisions. Proudly SA's participation achieved objectives of strengthening relationships within the clothing and textile sector.

Attendance: 700

Target Audience: Government, clothing and textile industry professionals, retailers, buyers, designers



PARTNERSHIP EVENTS

Tops @ Spar Wine Show, Cape Town, 11 -13 July 2019

TOPS at SPAR Wine Show has quickly risen to become South Africa's favourite consumer wine event. Celebrating its 13-year anniversary in 2019, the show has grown consistently year on year.

Proudly SA participated in the Cape Town leg of the event which took place at the Grand West Casino.

The access to market platform was greatly beneficial to member companies, La Ricmal Wines and African Roots Wines who both achieved high sales scores over the 3-day event.

Attendance: 15 000

Target Audience: Wine producers, consumers, media, procurement officials





MTN 702 Walk the Talk, Johannesburg, 28 July 2019

Proudly SA participated for the 2nd time in the MTN 702 Walk the Talk, Africa’s largest mass participation event.

Proudly SA had a strategically located activation space at the entrance of Marks Park. A DJ created a fun and dynamic atmosphere and promoters encouraged walkers to utilise the ‘Buy Local’ selfie frames. A Proudly SA branded en-route area provided continuity throughout the participant experience.

A week-long radio campaign on 702 leading up to the event provided the ideal foundation upon which our participation was built in that listeners and walkers were habituated to our messaging and looked for our presence on the day.

The objectives of this mass consumer awareness campaign were successfully achieved, the Buy Local messaging was absorbed by 55 000 individuals on event day – this, aside from the social media traction which was gained using the branded selfie frames and #WalkForJobs, which underpinned our involvement.

Attendance: 55 000
Target Audience: Mass Consumers

Student Pre-Entrepreneurship Week at Wits, Johannesburg, 29 – 30 July 2019

In preparation for Wits Student Entrepreneurship Week taking place in September 2019, Proudly SA was invited by the University to activate on-campus over a 2-day period.

Members - Kota King, Corner Dladla, Align-Ed and Prims Creations, joined the activation which took place on the main library lawns. In addition to being an access to market platform, this activation proved to be an ideal opportunity for Proudly SA and associated members to conduct research and gain insight into the youth market.

The feedback received has resulted in members adjusting their price-points and creating youth-targeted specials which will undoubtedly lead to increased sales during Student Entrepreneurship Week, as well as effectively expand their consumer/client base for future trade.

Attendance: 800
Target Audience: Youth



SMME Sustainability Summit 2019, Johannesburg, 30 -31 July 2019

The SMME Sustainability Summit promotes entrepreneurship, new venture creation, as well as sustainable enterprise development initiatives. It serves as a platform for networking and sharing of best practice among established, emerging and aspirant entrepreneurs. It also provides an opportunity to public and private sector organisations as well as SMME's to exhibit and showcase their products and services.

Proudly SA used this exhibition opportunity to attract potential members through promotion of the benefits associated with membership.

A speaking slot for CEO on day-2 of the event was instrumental in reinforcing the important role that Proudly SA plays as custodian of the "Buy Local" campaign.

Target Audience: SMME's, aspiring entrepreneurs, procurement officials, media

The Business Show, Johannesburg, 31 July – 1 August 2019

The Business Show: South Africa is Africa's largest business expo, conference and networking event for anyone serious about starting or growing a bigger and more successful business. With more than 20 000 delegates, 250 exhibitors, masterclasses, seminars and sessions, it's the most successful show of its kind in Africa.

Proudly SA exhibited under the dti over the 2-day event, taking advantage of the access to the large delegate and exhibitor base to actively recruit new Members.

Attendees: 20 000

Target Audience: SMME's, aspiring entrepreneurs

Decorex, Johannesburg, 7 August – 11 August 2019

The annual Decorex Exhibition is synonymous with sophisticated décor and design. This year's theme was 'Designing for Africa' which highlighted the intercontinental reach of Africa's design influence and brought together the finest local manufacturers, retailers and creatives.

Proudly SA and members The Urbanative (furniture design competition winner – 2019 Buy Local Summit and Expo) and Magauta Designs and Projects exhibited under the dti banner. The platform was successful in that it provided the ideal opportunity for members to showcase their distinctive designs to a targeted audience at a niche industry event.

Membership was present at the expo and generated 15 leads.

Attendees: 15 000

Target Audience: Buyers, consumers, retailers, manufacturers, trend analysts



DSTV Delicious 2019, Johannesburg, 21-22 September 2019

Tying into Proudly SA's Heritage Day celebrations, DSTV's flagship lifestyle property and South Africa's biggest food and music event, the DSTV Delicious International Food & Music Festival attracted a crowd of 50 000 festival goers over the weekend. Through its partnership with DSTV, the Festival benefits from millions of Rands worth of TV advertising exposure across DSTV platforms in South Africa and many African territories. All advertising features our logo as one of the strategic partners.

International and local chefs featured in various pop-up restaurants and cooking theatres. Channel activations, brand activations, an interactive kid's zone and a massive gourmet street food market made up the list of things to do and see at the festival.

- Slush dolls
- Why cook
- Yamma gemmer
- Conor dladla
- MOs food
- Have wings
- Lentibex
- Makhamisa
- Kong king
- Potjie Guy

With a prominent position on the 'food mile' the Proudly South African Village hosted a total of 10 member companies and reported good sales over the 2 days.

Through the hosting of stakeholders at the VIP Hospitality Suite, new partnerships were formed, old partnerships were maintained.

Adding in an offsite ticket collection process had multiple benefits for both the sponsor of the venue (Bidvest Nissan Woodmead) who offered test drives to guests in their new, locally manufactured Navara, providing them with additional exposure and a lot of social media space, but also assisted the team in managing the timing and efficiency of the collections.



PROUDLY SA INITIATED EVENTS

Proudly SA Mandela Day CSI Project, Thokoza, 18 July 2019

2019's Mandela Day project was a continuation of Proudly SA's 2018 CSI commitment to Buhlebuzile School in Thokoza, comprising a refurbishment and stocking of their library.

For the 2019 phase of the project, Proudly SA worked with Bidvest Waltons, Mondi and Sizwe IT to further upgrade the library of Buhlebuzile School.

After a motivational morning assembly, some fun interactive activities and an address by Sizwe Jantjie from Bidvest Waltons, we proceeded to utilise our 67 minutes to paint an inspiring mural on the library wall, as well as cover the library books with protective materials in order to preserve them

Six desktop computers, a printer and a projector with screen were handed over to the school and installed in the library as part of Proudly SA's promise to contribute to the upskilling of the school's 1600 learners.



Proudly SA Women in Leadership 2019, Johannesburg, 23 August 2019

Each year to mark Women's Month, Proudly South African celebrates women in leadership roles in all facets and walks of life, also celebrating the gift of sisterhood. The day also marks a call to action for accelerating gender parity. The event was the third collaboration with Tsogo Sun who hosted the event at the 54 on Bath Hotel in Rosebank.

The guests (including Proudly SA female employees) were treated to a day filled with food, live entertainment by The Muses, as well as the panel session that was facilitated by Happy Ngidi, and consisted of inspirational female pioneers in their respective fields, namely Thabile Ngwato (co-founder of Newzroom Afrika), Khusela Diko (Presidential spokesperson), Candy Tothill (Tsogo Sun), Unathi Nkayi (entertainer) and Philippa Rodseth (The Manufacturing Circle).

The event served as an opportunity to strengthen relationships with stakeholders and influential figures in business and media which gave good coverage to the event.

Attendance: 94



4.5) PR Communications & Media

4.5.1) Summary

With a renewed focus on strong media engagements designed to keep the campaign top of mind when journalists, reporters and content producers cover topics or stories relating to localisation, the PR department embarked on a series of new events and interactions during the quarter in review. Most notable was the establishment of a close relationship with new broadcast and online media house Newzroom Afrika, which has already yielded good results in coverage. Many of their producers moved from media houses with whom we already have had contact and relationships and this benefitted us as our profile was in part already established.

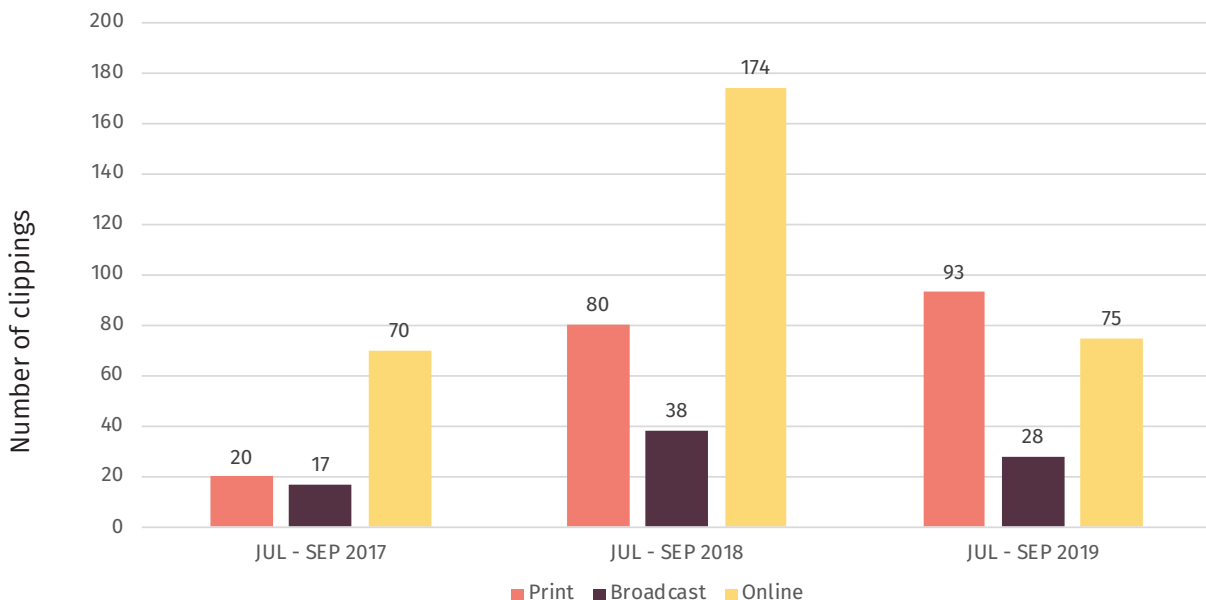
Despite our constrained budget for any commercial advertising it is gratifying to be invited to create and submit content at no cost to publications that have in the past only solicited paid advertising. During the quarter in review we designed a double page spread for the Top 100 series travel publication and wrote a foreword for SA Business Integrator.

During the quarter in review we were invited to do a number of both tv and radio interviews, and our AVE reflects the excellent coverage that these gave us. We are working on both the quality and quantity of our media and social media coverage and believe that we are achieving the goals we have set ourselves.

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 (Jul – Sep 2019). Comparison is made with the same period in 2018 and 2017.

CLIP COUNT COMPARISON

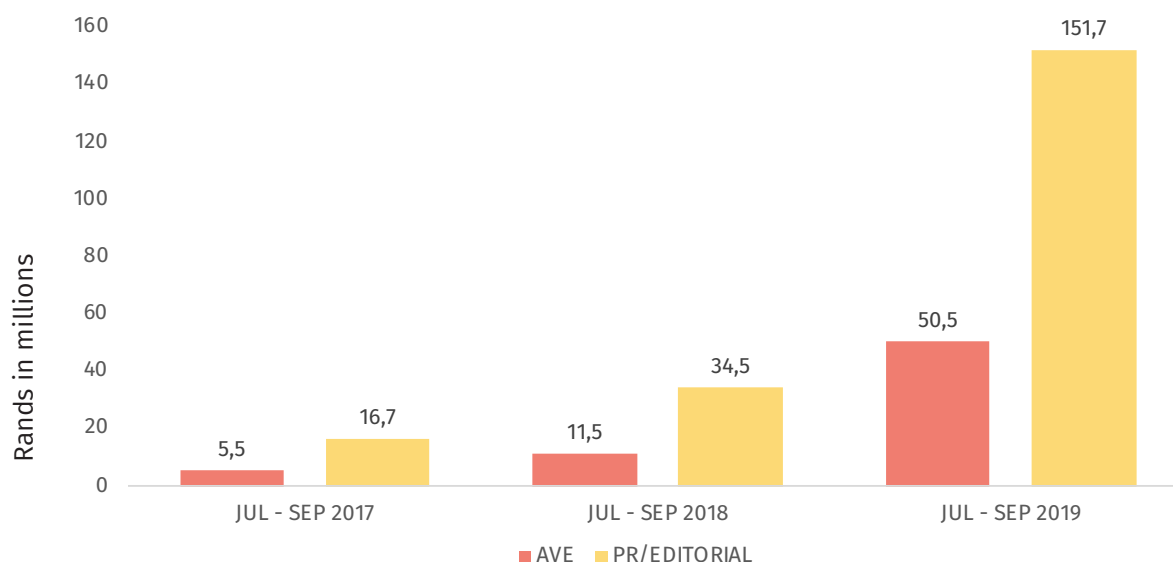


While it may seem that the overall clip count has decreased, the Rand value of these clippings has increased more than threefold compared to the same time last year, owing to the PR team's efforts to derive more value and more reach per engagement.

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 between July and September 2019 is R50.5 million and the PR/editorial value for the same period is R151.7 million.

AVE ANALYSIS



4.5.4) Press Releases/Op Eds/Media Articles

The following were issued between July and September 2019

No.	Date	Release/Commission	Title	AVE
1	02 July 2019	Business Report column	Youth month a real eye opener	R264 052.38
2	09 July 2019	Release	Proudly SA supports the furniture sector with dedicated business event	Event coverage: R 1 435 487.36
3	09 July 2019	Business Report column	Consumers face bite of import tariffs	R280 976.58
4	16 July 2019	Business Report column	SA entrepreneurs also struggle under debt	R348 506.22
5	16 July 2019	Release	Proudly SA & SACTWU respond to imported formal suits worn by Bafana Bafana en route to Egypt	R36 030 345.82
6	17 July 2019	Q&A submitted to The Economist	SA & Ethiopian textile and clothing industry	N/A

No.	Date	Release/Commission	Title	AVE
7	23 July 2019	Business Report column	SA's furniture industry clawing its way back to former glory	R485 606.76
8	30 July 2019	Business Report column	Putting more home-grown products on retailer shelves	R221 851.04
9	01 August 2019	Release	Proudly SA's online shopping store turns one	R25 667.73
10	06 Aug	Business Report column by Happy Ngidi	It's in our hands to correct injustices	R280 976.58
11	07 August 2019	Release	Proudly SA hosts business forums in KZN for public & private sector	R39 000.00
12	13 August 2019	Business Report column for BLSA CEO Busisiwe Mavuso	The long slog to serious women empowerment	R482 551.52
13	15 August 2019	Press conference	Springboks announce locally made blazer	R1 056 462.61
14	21 August 2019	Business Report column by Erica Louw	Celebrating women of all shapes and sizes	R 327 849.22
15	23 August 2019	Release	Proudly SA & Tsogo Sun celebrate formidable women in business	R 137 063.79
16	27 August	Business Report column by Mosibudi Makgato, Yamama Gemmer	The time has come for financiers to take women entrepreneurs seriously	R 434 567.10
17	03 September	Business Report Column	Tito's calls for localisation most welcome	R 530 770.30
18	10 September	Business Report column	The meaning of heritage when buying local products	R 555 177.46
19	September	Top 100 Series DPS	Free space	N/A
20	September	Business Integrator CEO Foreword	Free space	N/A
21	17 September	Business Report Column	Creating employment in SA through reindustrialisation	R 606 455.86
22	24 September	Business Report Column	Make sure your value proposition is worth it	R 214 342.80

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	Media House/s	Engagement	AVE
3 July	Media 24	One on one for 2020/1 strategy	N/A
9 July	Newzroom Afrika	Launch of Channel 405 Newzroom Afrika. Engaged management, presenters, content producers and advertising sales.	N/A
15 July	GCIS	Meeting with media team at GCIS for closer collaboration	N/A
29 July	Forbes Africa, Powerfm, Newzroom Afrika	Cooking demo and competition with Chef Nompumelelo Mqwebu	R 61 400.00
7 August	BBC Africa	Recorded interview with CEO and side meeting with producer	Not yet flighted
13 August	Gagasi fm KZN	In studio interview with Happy Ngidi and side meeting with programme manager	R 39 000.00
15 August	eNCA, Rapport, Polity, Netwerk24 & others	Springbok blazer press conference	R 1 056 462.61
23 August	Business Report, The Star	Women's Day event	R 89 247.60
27 August	Talk Radio 702	One on one meeting with Eusebius McKaiser executive producer	Interview on 19 Sep: R482 706.50
30 August	TheAuthenticGirl.com, Independent Media (CTN)	Visit to vineyard of member company, The Seven Sisters	N/A
25 September	Farmers Weekly (Caxton Press), Engineering News (Creamer Media), GCIS, Landscape SA, Hardware Retailer, DIY & Industrial Trade News	Media Tour of Lasher Tools' manufacturing plant, Germiston	Smile FM: R16 800.00

4.5.6) Social Media

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

	No of followers Sep 2019	Fiscal growth (since April 2019)	Year-on-year growth
Facebook likes	15 954	661 (4.3%)	1 593 (11.1%)
Facebook follows	16 352	691 (4.4%)	2 018 (14.1%)
Instagram follows	3 764	479 (14.6%)	1 497 (66%)
LinkedIn	620	132 (27%)	365 (143%)
Twitter	164 345	2 648 (1.6%)	7 969 (5.1%)



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
17 July 2019	Furniture Sector Forum	Riversands Incubation Hib
22 July 2019	Presentation to Board of Health Care Funders Conference	Cape Town
24 July 2019	Gauteng Business Forum	Pretoria
25 July 2019	Retailers Local Procurement Forum	Johannesburg
30 July 2019	Limpopo Business Forum	Limpopo
31 July 2019	Sustainability Summit	Braamfontein
1 August 2019	BPI Event	Midrand
13 August 2019	KZN Business Forum	Durban
14 August 2019	KZN Public Sector Forum	Durban
28 August 2019	Western Cape Business Forum	Mossel Bay
29 August 2019	Western Cape Public Sector Forum	Cape Town
12 September 2019	Public Sector Forum	North West
24 September 2019	National Public Sector Performance Monitoring and Evaluation Indaba	Durban



CHAIRMAN'S PRESENTATIONS

As an extension of our work with the unions, our Chairman, Mr Howard Gabriels has in the quarter in review presented at National Council of Trade Unions (NACTU) shop steward workshops across three provinces. In addressing shop stewards on the role that localisation has on job retention and job creation, we anticipate that the message will filter through to employers and supply chain managers.

NACTU Provincial Workshop	Durban
NACTU Provincial Workshop	East London
NACTU Provincial Workshop	Western Cape

BRAND MANAGEMENT

During the Quarter in review we worked on below the line activities that supported the marketing activities. In addition, we worked on internal branding that has provided a support function to the organisation's below the line activities, including sponsorship proposals for the buy local summit that will be used to solicit financial support from partners for our event.

The Branding Department's work includes the creation of all the design elements that are needed for every event that the campaign runs, including invitations, programmes, speaker slides and presentations.

Below the line branding activities implemented, included participation in the MTN walk the talk, business forums, public sector forums, expos as well as the DSTV delicious festival, which included a village, hospitality & on site advertising opportunity. We created post event content for the events to show case our participation at the event such as our social media highlight video.

DSTV DELICIOUS FESTIVAL





MTN WALK THE TALK

We also participated in "MTN WALK THE TALK" event where we branded the walk way before the start of the event. This platform increased our brand visibility. This event also allowed us to engage consumers on buying local and impact thereof. Walking for a cause is part of the event ethos and Proudly SA encouraged participants to walk for job creation.



We provided support in the design of the RSA Made 1st birthday celebration and this included artwork for social media postings. In the effort to increase logo use we have designed a branding guideline booklet showcasing some of our members who use the Proudly SA logo to encourage others to follow suit.





The Proudly SA car was rebranded to match our colour palette as well as new messaging - 'We Buy Local' as well as to include RSA Made branding.



Taking inspiration from one of the most iconic flags in the world, created and adopted during the Madiba years, Proudly SA has used the vibrant colours to recreate the logo of the country's national Buy Local campaign.

Any company or product bearing the Proudly SA logo has been given the tick of quality and verification of local content.

Look for the tick which, like the flag, marks our pride in locally grown, manufactured and produced goods and services. Buying local creates jobs and strengthens our local economy.

For above the line in this quarter we designed an ad that was used in the East Rand Industrial Magazine as well as City Press in partnership with the dti. In the Transformation magazine we created a "Flying with Pride" advert.



We are continuously working to get the logo usage up by getting more brands to use the Logo on their products and advertising.



ORIGINS
NATURALS TOUCH

NEW

Kudu Wood Beige
WAS 89⁹⁰
NOW 83⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10KUD0000

Houtby Beige
WAS 109⁹⁰
NOW 109⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10H00001

NEW

Straal White
WAS 104⁹⁰
NOW 104⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10STR0001

Houtby
Herringbone Plaid
WAS 59⁹⁰
NOW 59⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10H00001

Campus Ew Natural
WAS 99⁹⁰
NOW 99⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10C00001

NEW

Bahamas White
WAS 149⁹⁰
NOW 149⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10BAH0001

NEW

Honeywood
Walrus
Rectified
WAS 199⁹⁰
NOW 199⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10HW0001

Cottonwood
White
Rectified
WAS 189⁹⁰
NOW 189⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10CW0001

SITHI WENA
YOU DESERVE IT

KILIMANJARO

Desert Beige
WAS 74⁹⁰
NOW 74⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10DES0001

Naiping Beige
WAS 39⁹⁰
NOW 39⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10NAP0001

Mountain Grey
WAS 79⁹⁰
NOW 79⁹⁰
Pkg 10' x 10' x 10mm
CODE: PK10M00001

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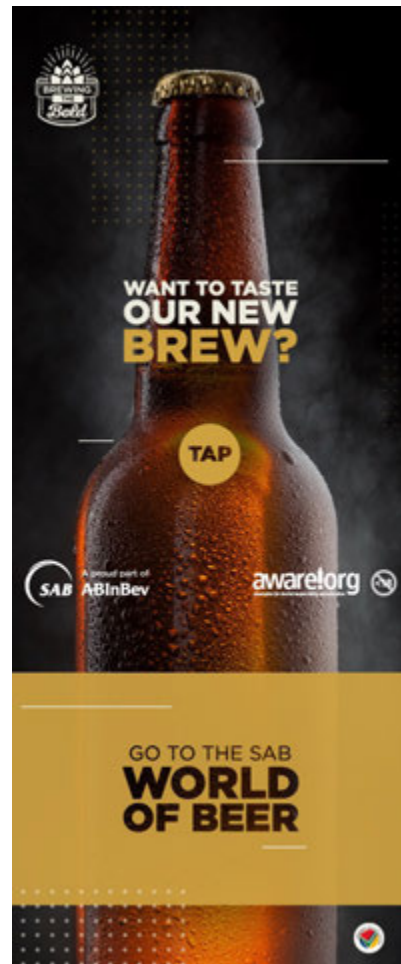
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PERFORMANCE FOR THE PERIOD UNDER REVIEW

Performance for the period under review (1 July to 30 September 2019) - Performance against the Annual Performance Plan targets for the quarter

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing “Buy Local” purchase behaviour	To increase awareness of Proudly SA (products and services), influence purchase behaviour in favour of local products, raise the profile of local products and educate consumers on the importance of buying local through: * Above-the-line campaign, i.e. Top of mind awareness through various platforms incl. TV, radio, print, outdoor, online and social media campaigns – number of people reached;	*Above-the-line – Buy Local (Buy Back SA/Buy SA) activism campaign reaching at least 20 million consumers	*Reach 5 million consumers during Quarter 2	*Reached in excess of 5 million consumers through the MTN Walk The Talk & DSTV Delicious Festival, including pre & post event advertising	
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 2 million consumers during Quarter 2 *2 activations were planned for Quarter 2 *4 Campaigns with radio stations were planned for Q2	*Reached more than 2 million consumers through: <ul style="list-style-type: none"> Furniture Sector Forum, Monthly Columns, Women’s Day Event, Media Cooking Show on TV, Gagasi FM interview & Springbok Jersey reveal on Television *WearSA activation *Wits Pop Up Activation <ul style="list-style-type: none"> *Wits Pop Up Activation 	*AFDA on-going engagements regarding a sequel to our Buy Local Advert to be finalized during Q3 *Festive Season Campaign to incorporate campus radio & youth stations in Q3

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	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>*3 Proudly SA Heritage month activities planned for Q2</p> <p>*1 CSI activity planned for Q2</p>	<ul style="list-style-type: none"> Tops At Spar Wine Show Sustainability Summit Business Show SA Decorex <p>*DSTV Delicious Festival</p> <p>*Lasher Tools Factory Visit.</p> <p>*Mandela Day Library Project</p>	<p>*Fashion Show was postponed to Q4</p>
Increase procurement of local products and services in the public sector through increased engagements with the public sector.	<p>Educational roadshows</p> <p>Increase buy-in and support for local procurement by the public sector (all state organs) through:</p> <p>*Presentation to SOEPF (State Owned Enterprises Procurement Forum) per annum</p> <p>*Partnership with 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>* Presentation to officials in metropolitan councils – engage with local government on localisation</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>*Presentation to at least 2 metropolitan council procurement forums per annum</p>	<p>*No activity planned for Q2</p> <p>*No presentation planned for Q2</p> <p>* 4 Provincial Public Sector forums planned for Q2</p> <p>*1 presentation planned for Q2</p>	<p>*N/A</p> <p>*N/A</p> <p>*Limpopo, KZN, North West, W/Cape</p> <p>* No presentation took place</p>	<p>*CoJ postponed event due to change in MoU from the City's side due to austerity measures in government</p>

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	<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>*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>*300 Tenders/RFPs</p> <p>*40 Proudly SA companies to be integrated with CSD in Q2</p> <p>*Buy Local Summit planned for Q4</p> <p>*Buy Local Expo planned for Q4</p>	<p>*606 Tenders/RFPs identified and monitored</p> <p>*No member companies have been integrated with the CSD to date.</p> <p>*N/A</p> <p>*N/A</p>	<p>The team at the CSD has requested that the system goes live by December due to internal reasons at the National Treasury</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 to each 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 Q2</p> <p>*2 presentations planned for Q2</p>	<p>*Meeting with BLSA held to finalize 'connect' working relationship</p> <p>*Presented to Provincial Treasury of Limpopo's suppliers and the incubatees that form a part of the City of Polokwane's SMME programme</p>	<p>Shortfall due to resource challenges, however full year target of 4 will be achieved</p>

Strategic objective/ outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	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>*Secure new localisation commitments from at least 5 major corporates per annum</p>	<p>*1 partnership planned for Q2</p> <p>*Buy Local Summit scheduled for Q4 (March '20)</p> <p>*Buy Local Expo scheduled for Q4 (March '20)</p> <p>*2 sector specific forums scheduled for Q2</p> <p>*3 business forum scheduled for Q2</p> <p>*3 trade expos scheduled per quarter</p> <p>*Awards scheduled for Q4</p> <p>*1 industry commitments planned for Q2</p> <p>*2 new localization commitments from major corporates planned for Q2</p>	<p>*Consultative workshop with the Manufacturing Circle, Consumer Goods Council of SA & dti with retailers PNP, Spar, Food Lovers Market & Shoprite in attendance</p> <p>*N/A</p> <p>*N/A</p> <p>*Furniture Sector Forum</p> <p>*Gauteng, KZN, W/Cape (Mossel Bay);</p> <ul style="list-style-type: none"> • Tops At Spar • Sustainability Summit • Decorex • Business Show SA <p>*N/A</p> <p>*Localisation commitments were obtained from the Furniture sector forum</p> <p>*Localisation commitments were obtained from 3 retailers, 1 supplier and 2 major banks.</p>	<p>*Automotive Sector Specific Forum was postponed pending engaging NAAMSA in effort for buy-in which is scheduled for Oct 19</p>

Strategic objective /outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	* Implementation of Import Replacement in key industries/products as per the highest imported items into the country, by value	* Implementation of Import Replacement in at least one key industry/product per annum	*1 import replacement implementation (in any key industry/product) planned for Q2	* Proudly SA has met with the SARS' customs and excise team with a view to establishing exactly which products are being imported into the country. This will allow Proudly SA with insights on selecting the products to form a part of the import replacement project.	
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;	*Brand or Consumer Research to be undertaken at least once per annum *At least 18 x Dipstick surveys per annum conducted at Proudly SA events and exhibitions/ consumer outreach campaigns and via the website	*1 consumer research study planned for Q2 *8 dipstick survey was planned for Q2	*Work in Progress with Massmart. *4 Public Sector Forums & 3 Business Forums -	The rest of our activations in this quarter were not appropriate platform to conduct this.
Brand Compliance and IP. Effective management of Proudly SA intellectual property	Percentage of successfully executed letters of demand and court actions against identified transgressors	*Action/letters of demand to all (100%) irregular users of the Proudly SA logo identified *Annual compliance review of all members *Monthly monitoring with Adams & Adams of companies that are using the Phrase and logo illegally	*100% of all identified illegal users sent letters *100% (All) members checked for compliance *Monitoring of the use of logo and phrase done illegally – 100% contact with all identified companies	*All identified irregular users were sent letters – 100% *All members contacted as part of the new and renewals membership compliance process – 100% *Monitoring done by Adams and Adams monthly – 100%	
Partnership with enforcement agencies	*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; *Develop partnerships with Intergovernmental State enforcement Agencies, i.e. SARS, CIPC, Customs, SAPS, Hawks, Brand SA and – multi disciplinary process with key stakeholders	Participation in the Nedlac Task team on Anti-piracy at least twice per annum *500 new products and/or services registered	*1 activity planned for Q2	*This task team has concluded its work & a report to be issued to Nedlac. *1,645 new products and/or services registered	
Growing the database of South African supplier products and services for local procurement	*Grow the number of companies registering on the database.				

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
*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 *Promotion of database to at least 9 provincial business forums *Promotion of database to at least 2 business associations or chambers	*4 provincial public-sector forums planned for Q2 *3 provincial business forum planned for Q2 *1 workshop with a business association or chamber planned for Q2	*Limpopo, KZN, North West, W/Cape (CT) *Gauteng, KZN, W/Cape (Mossel Bay) *Presented to Provincial Treasury of Limpopo's suppliers and the incubates that form a part of the City of Polokwane's SMME programme	
Strengthening Media relations, PR and social media	*Daily, weekly, monthly monitoring of media coverage on the campaign and analysis thereof *Number of published press releases prepared per month (Regular communication in print media aimed at members, media, government departments, consumers and other stakeholders) *Number of interactions with the media per annum to increase the publicity and raise the profile of Proudly SA. This is part of the media relations strategy where the campaign can discuss with the media tactical issues, e.g. job losses in specific sectors as well as strengthen relations with the media through media breakfasts/lunches & media meetings hosted by the CEO, Chairperson, board or the PR Manager *Daily communication on Twitter, Facebook and Instagram. Increased activities during campaigns	* Media Monitoring Regular monitoring of media reports coverage on Proudly SA, its members and other key stakeholders * Press releases At least 36 press releases per annum * Media engagement *At least 40x individual media engagements per annum * At least 3 x Media meet & greet networking sessions per annum * Social Media activities daily	*100% of Daily monitoring through Newsclip of all coverage on Proudly SA *9 press releases issued per quarter *10 media/editor's meetings per quarter 1 media meet & greet networking session planned for Q2 *Daily updates on Twitter, Facebook and Instagram done	*We received daily notifications from Newsclip on all activities and coverage on Proudly SA *Refer to PR Section where we have 22 in total. *Refer to PR Section – where we have 11 in total, notably, <ul style="list-style-type: none"> Newzroom Afrika Cookathon WC Wine Tour with Media Gagasi fm Talk Radio 702 * Lasher Tools Media Visit *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 162,000 followers and Facebook has more than 15,780 followers & Instagram has more than 3,390 followers	

Strategic objective /outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
	<p>*Increase following on social media platforms and increase in publicity</p> <p>*Major PR activation to increase awareness about the campaign and the "Buy Local" campaign</p>	<p>*Increase following on all social media platforms by 2% per annum</p> <p>*Valentine's Day activation 1 per year on Valentine's day</p>	<p>Increase following on all social media platforms by 2% per quarter</p> <p>*This activation is scheduled to take place during Q4 (Feb '20)</p>	<p>*Facebook = 3% Twitter = 12% Instagram = 10% LinkedIn = 15%</p> <p>*N/A</p>	
Retention and Recruitment Members	Number of members recruited and retained	<p>*Recruit at least 200 new members for the year</p> <p>*Retain at least 80% of all members due for renewal for the year</p>	<p>*55 new members recruited during the quarter</p> <p>*80% of all members due for renewal renewed membership</p>	<p>*85 new fully paid up members recruited</p> <p>*70% of all members due for renewal, renewed their membership</p>	<p>Processing renewals is a timeous task; the administration time required for renewals may take up to three months to complete and companies do not send through information prior to receiving the pro-forma invoice for renewing.</p>
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 2017/18 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 Q2; Unqualified & clean audit report for 2018/19 financial year	
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	*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	*23% growth for Q2	
(Official online shopping platform for Local Products, to be utilized by all online shoppers in SA and abroad wishing to buy locally made products)	*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	*10% decline quarter on quarter	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q1 target)	Actual Achievement (Q1)	Reason for Variance
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 in Q2	
Performance Management	*Percentage of critical positions filled	*All (100%) critical positions filled at all times	*All (100%) critical positions filled during the quarter	*All critical positions filled during the quarter	
	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	100% compliance	
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	100% compliance. All required submissions done and certificates of compliance received from Dept. of Labour and SARS	

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

PFMA for Public Entities: Cash Management, Banking and Investment

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

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
			<ul style="list-style-type: none"> • Taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the optimum level for efficient and effective programme delivery, and selling surplus or under- utilized assets; • Performing bank reconciliations at least weekly; • Making regular cash forecasts; and • Alignment of the approved budget with monthly cash flows; • Variance analyses of actual cash flow with the approved budget 	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>			
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	<p>Does the public entity have an investment policy?</p> <p>If yes to the above, does the investment policy include the:</p> <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 - 30 SEPTEMBER 2019

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
	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; Legal & Compliance; Manager HR & Administration	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; Manager HR & Administration	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	3	9	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	3	12	Satisfactory	Medium	CEO	Disaster recovery site to be identified and secured	CEO	31 March 2020
			Fraud & corruption	Major	Moderate	3	12	Satisfactory	Medium	CFO/CEO			Ongoing
			Lack of IT capacity and intelligence	Moderate	Moderate	3	9	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	In progress
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.	In progress

FINANCIAL REPORT

Financial report - Income and expenditure vs budget (Quarter 2 – 1 July to 30 September 2019)

Description of item	Budget for the quarter (Q2) Rands	Actual for the quarter (Q2) Rands	Variance for the quarters (Q2) Rands	% Variance	Reason for Variance	Annual Budget Rands	YTD Actual (30 September 2019) Rands	YTD Variance (31 March 2019) Rands
INCOME								
Membership Fees	970,000	1,244,682	274,682	28%	Q1 shortfall was substantially recovered in Q2	3,880,000	1,814,552	(2,065,448)
Grant – the dti	10,000,000	10,000,000	0	0%		32,623,000	25,000,000	(7,623 000)
Project based funding - UNOPS	0	0	0	0%		0	0	0
Sponsorship	2,500,000	0	(2,500 000)	(100%)	Sponsorship for Heritage month did not materialize	16,500,000	0	(16,500,000)
Other Income	0	154,620	154,620	100%	Interest income & sale of promotional items (not budgeted)	0	269,394	269,394
Total Income	13,470,000	13,399,302	(2,070,698)	(15%)		53,003,000	27,083,946	(25,919,054)
EXPENDITURE								
HR and Staffing costs	5,800,495	5,394,154	406,341	7%	Restructure of the HR department	24,371,978	11,297,872	13,074,106
Administrative costs	1,584,668	1,324,481	260,187	16%	Timing nature of certain cost elements & cost containment	6,855,797	2,482,648	4,373,149
Membership costs	120,689	109,705	10,984	9%	Cost cutting exercise undertaken,	482,758	142,572	340,186
Marketing costs	2,170,833	2,333,559	(162,726)	(7%)	Timing nature of certain cost elements	19,840,725	2,753,262	17,087,463
Capital Expenditure & IT	223,936	216,490	7,445	3%	Timing nature of certain cost elements	1,451,742	661,395	790,347
Total Expenditure	9,900,621	9,378,389	522,232	5%		53,003,000	17,337,748	35,665,252

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