

# QUARTERLY REPORT

1 OCTOBER - 31 DECEMBER 2020

Quarter 3

2020/21 Financial Year

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PROUDLY SOUTH AFRICAN  
Quarterly Report for Q3 (1 October to 31 December 2020)

**APPROVAL OF THE REPORT**

Recommended by the CEO for Approval		Endorsed by the Accounting Authority	
<b>Name:</b> Mr. E. Mashimbye	<b>Signature:</b> _____	<b>Name:</b> Mr. H. Gabriels	<b>Signature:</b> _____
<b>Rank:</b> CEO	<b>Date:</b> ___/___/2021	<b>Rank:</b> Chairperson	<b>Date:</b> ___/___/2021

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## ACRONYMS

*The following are definitions of the acronyms used in the report*

<b>Accord</b>	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.
<b>APP</b>	Annual Performance Plan.
<b>Brand SA</b>	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.
<b>CGCSA</b>	Consumer Goods Council of South Africa
<b>CPO</b>	Chief Procurement Officer.
<b>CIPC</b>	Companies Intellectual Property Commission.
<b>COTII</b>	Council of Trade and Industry Institutions.
<b>CSI</b>	Corporate Social Investment.
<b>EDD</b>	Economic Development Department, a national government department in the Republic of South Africa.
<b>FMCG</b>	Fast Moving Consumer Goods.
<b>IPAP</b>	Industrial Policy Action Plan
<b>NCPC</b>	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.
<b>NEDLAC</b>	National Economic Development and Labour Council, an entity of the Department of Labour.
<b>NT</b>	National Treasury.
<b>PFMA</b>	Public Finance Management Act No. 1 of 1999.
<b>Proudly SA</b>	Proudly South African, a not for profit company incorporated in terms of the Companies Act
<b>SALGA</b>	South African Local Government Association.
<b>SAPBA</b>	South African Premier Business Awards.
<b>SOEPF</b>	State Owned Enterprises Procurement Forum
<b>the dtic</b>	Department of Trade and Industry, a national government department in the Republic of South Africa.
<b>The Summit</b>	The Local Procurement Summit & Expo.
<b>TWC</b>	Technical Working Committee on localisation, made up of BUSA, BLSA, Manufacturing Circle, NBI and Proudly SA, whose objective is to mobilise the private sector to increase their levels of local procurement

## EXECUTIVE SUMMARY

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This report covers the period 1 October – 31 December 2020 and focuses on various highlights during the period:

During the period in review, time was invested by the executive and board in reviewing organisational strategy and planning for the medium-term period ahead, including developing a comprehensive revenue generation strategy.

In addition, work began on finalising plans and preparations for the full digitisation of the organisation which will streamline all its key work processes. The project is targeted to be completed at the end of the next financial year.

The members of the executive team continued to represent the campaign in many different organisations' and institutions' workstreams related to economic recovery during the current coronavirus pandemic, including in the B4SA led Local Manufacturing Partnership project. This partnership project is aimed at strengthening the country's manufacturing capability and developing the capacity for locally producing those items that are required to respond to Covid-19. Proudly SA continues to lead the workstream specifically for hand sanitisers and disinfectants.

During the quarter in review, the organisation developed and launched additional portals for medical PPE and textiles to support the country's response to Covid-19, providing a source of locally made products, for procurement decision makers, especially in the private sector. This is in addition to the current portals of non-medical masks, hand-sanitisers, face shields, as well as surface detergents and disinfectants.

We also undertook a massive festive season campaign, underpinned by our GameTime "Buy Local" message. We ran our messages through a number of

different screen applications including news-clocks and L Boards across all SABC channels, eTV, eNCA and various DSTV channels. The campaign reached in excess of 10 million consumers cumulatively.

By collaborating with a number of our key stakeholders in the poultry, CTFL and FMCG sectors we crafted multiple social media campaign messages which we rolled out across all platforms during the period under review. These supported the strategies included in the respective sectoral Master Plans to whose content we have also contributed.

As part of our festive season Buy Local consumer education campaign, we engaged even more consumers via a festive season competition also on social media, generating hundreds of entries.

The technical, content and viewership successes of our own webinars, a series of which was launched on the Zoom platform earlier in the year, brought a number of other organisations to our doors. In addition to running four of our own webinars on a variety of topics during the quarter under review, we hosted a further four on behalf of the dtic, BUSA (including an address from Minister Patel), The National Gambling Board as well as hosting Nedlac's annual Summit.

The close of the quarter and calendar year also saw the commencement of the planning for our 9th annual Buy Local Summit & Expo, to be hosted virtually in March 2021. The requirements for this very different format were included in a tender document that was released before the commencement of the holiday period, and work will resume a-pace in the final quarter of this fiscal year.

## GOVERNANCE AND OVERSIGHT DURING THE QUARTER

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*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 27 October 2020 and considered the following:

- Inflationary linked increases for members of staff.
- The matrix developed from the findings of the Board Evaluation exercise.
- Amendments to the Schedule of Delegated Authority which would allow the CEO to offer discounts and payment terms to prospective members who met the criteria.
- The Board received the Chairman's Report.
- The Board received and approved the Quarterly Report for the period April to June 2020.
- The Board received the report on members who had been granted discounts and payment plans, to assist them settle their membership fees due.
- The Board received the revised budget, following the reduction in the grant allocation from the DTIC.
- The Board received the revised Annual Performance Plan which needed to be revised in line with the revised budget.
- The Audit Report was presented to the Board. The report was unqualified.
- The Board received and approved the Annual Financial Statements for 2019/20.
- The Board received the plans for both the Festive Season and the R-CTFL consumer education campaigns.
- The B4SA transition plans were presented to the Board and included plans for Proudly SA to host a portal for medical PPE.
- The Board received reports from the various Sub-Committees.
- The Board considered the management accounts and cash flow.

The Proudly SA Board of Directors met again on 10 December 2020 and considered the following:

- The Board approved inflationary linked increases for staff.
- The Board received the Chairman's report.
- The Board received and approved the Quarterly Report for the period July to September 2020.
- The CEO presented some of the outcomes of the Board Strategic Session.
- The Board received the report on members who had been granted discounts and payment plans.
- The Board received the updated Festive Season Campaign plan and report to date.
- The Board received reports from the various Sub-Committees.
- The Board considered the management accounts and cash flow.

### **3.2) Audit and Risk Committee**

The members of the Audit and Risk committee held their meeting on 7 October 2020 and the meeting considered the following:

- The Committee agreed to recommend the Board Evaluation Matrix to the Board for consideration.
- The Committee received and noted the internal audit reports on compliance and brand management.
- The Committee received the management letter and the unqualified audit report.
- The Committee received and considered the annual financial statements and agreed to recommend them to the Board for approval.
- The Committee recommended that all gifts received should be declared irrespective of the value.
- The plan for undertaking the remainder of the internal audits was presented and noted by the Committee.
- 
- The members of the Audit and Risk committee held another meeting on 2 December 2020 and the meeting considered the following:
  - 
  - The Committee evaluated the current risks and steps taken to mitigate them, as detailed in the Strategic Risks Register.
  - The Committee noted the progress made against the findings raised in the previous year's external audit report.
  - The Committee noted that the internal audit process was underway and would receive reports at the next meeting.

### **3.3) Finance and Procurement Committee**

The members of the Finance and Procurement committee held their meeting on 9 October 2020 and the meeting considered the following:

- The Committee suggested temporary amendments to the Schedule of Delegated Authority to allow the CEO to offer discounts and longer payment terms to members, where required.
- The Committee noted the report on membership fee discounts.
- The Committee noted and recommended the revised budget to the Board.
- The Committee noted the annual financial statements for 2019/20

The members of the Finance and Procurement committee held another meeting on 3 December 2020 and the meeting considered the following:

- The Board had requested FINCO and REMCO to make a recommendation on how to distribute the allocated amount for annual inflationary increases to staff and management with the bigger allocation going to the staff, and FINCO finalised this exercise.
- The Committee noted the report on membership fee discounts.
- The Committee considered the financial scenario plan which was presented at the Board strategy session and requested that a membership hit list be developed.
- The Committee noted the management accounts and cash flow.

### 3.4) Membership, Marketing and Communications Committee

The members of the Membership, Marketing and Communications Committee held their meeting on 9 October 2020 and the meeting considered the following:

- The Committee noted the report on discounts offered to members.
- The revised APP with more virtual events and which still ensured that core deliverables were achieved was presented to the Committee.
- The Committee received the Membership Report for the quarter under review.
- The Committee noted the Tender Monitoring Report and the drop in compliance by the public sector to 42%.
- The results from the Massmart Consumer Research (report) were tabled to the Committee and included an increase in brand awareness.
- The Committee received the Marketing and PR report which included the webinars and activities that had taken place during lockdown.
- The Committee noted the plan for the digital campaign.
- The Game Time advert would be aired on all SABC TV stations during the Festive Season.
- The R-CTFL consumer education campaign which was in support of the R-CTFL Master Plan was presented to the Committee.
- The Committee received an update on the Covid-19 Portals.
- The Committee received an update on the B4SA Covid-19 workstreams, which also contained a transition plan which highlighted the role Proudly SA would play going forward. A medical PPE Portal would be established and hosted on the Proudly SA website for the private health sector.

The members of the Membership, Marketing and Communications Committee held another meeting on 1 December 2020 and the meeting considered the following:

- The Committee received the Membership Report which included the fact that Defy Appliances was now a member.
- 2 819 new products and services were added to the database of products and services.
- The CEO updated the Committee on the involvement and participation of Proudly SA in the various Masterplans.
- The Marketing Report which included the webinars that were held and the ones that would be held before the financial year end.
- The plans for a hybrid Buy Local Summit and Expo were tabled to the Committee.
- The Committee noted the Festive Season, R-CTFL and poultry consumer education campaigns.
- The CEO reported to the Committee that all elements that spoke to localisation and or local procurement were extracted from the Economic Recovery Plan and the President's speech and linked to activities that Proudly SA was undertaking on its own or with the social partners.



### **3.6) HR and Remunerations Committee**

The members of the HR and Remunerations Committee held their meeting on 9 October 2020 and the meeting considered the following:

- The Committee requested that Management table possible options around annual inflationary increases which could be tabled to the Board.
- The Committee agreed to make inputs on the COVID-19 Policy.
- The HR Reports on training and staff profile were received.
- The Committee received and noted the organogram.

The members of the HR and Remunerations Committee held another meeting on 4 December 2020 and the meeting considered the following:

- The Chairman had requested both FINCO and REMCO to make a recommendation on how to distribute the allocated amount for annual inflationary increases to staff and management with the bigger allocation going to the staff, and the committee finalised this exercise.
- The Committee noted the reports on the staff profile, organogram, training and development, as well as staff performance.
- The Committee recommended that no vacancies be filled until further notice.
- The Committee supported the recommendations around the annual closure of business of the organisation, for the festive season period.

### **3.7) Social and Ethics Committee**

The members of the Social and Ethics Committee held their meeting on 7 December 2020 and the meeting considered the following:

- The Committee noted the updates made to the Fraud Prevention Plan, especially around the disclosure of gifts.
- The Committee noted that staff do complete a Declaration of Interest Form on an annual basis.
- The list of all remunerated work undertaken by the CEO and all staff would be tabled to the Committee.
- The Committee reviewed and noted the terms of reference of the Committee.
- The Social and Ethics committee checklist which included the amendments was noted by the Committee.

### **3.8) The Annual General Meeting of the Board was held on 10 December 2020 and considered the following:**

- The Directors report as contained in the Annual Report for the period April 2019 to March 2020.
- The Board received reports on the work undertaken by each of the sub-committees for the period April 2019 to March 2020.
- The Board noted the Annual Financial Statements for the financial year April 2019 to March 2020.
- The Board confirmed the Directors that would be serving on the Board
- The Board approved the appointment of Rain Chartered Accountants as the external auditors for the ensuing year.

## THE QUARTER UNDER REVIEW

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### 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 third quarter of the 2020/21 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 10 million consumers through:
  - A massive Festive Season/Back To School campaign utilising four TV broadcast platforms namely SABC channels, eTV, eNCA and Newzroom Afrika.
- Below the Line activities reached more than 4 million consumers through:
  - PR driven activities (TV and radio interviews, incl. re-broadcasts),
  - Opinion pieces, social media, digital platforms, radio and member platforms were used to create awareness of the campaign and intensify the buy local message.
  - Eight community radio station interviews and PR campaigns.
- 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. 2 397 tenders/request for proposals were identified in Q3 whereas the target was 300.
- Proudly SA is a part of a localisation technical working committee (meeting every week) established in Q4 of 2019/2020 whereby collaborative efforts & focus on local procurement are underway with BUSA (including B4SA), Manufacturing Circle, BLSA, NBI & BBC.
- Proudly SA and the committee hosted a webinar where Minister Patel delivered the keynote address to corporate members of all abovementioned organisations. This webinar was also used to introduce and present the Market Access Platform to the members of BLSA, NBI, BUSA and BBC. All major FMCG retailers that form part of the CGCSA have subsequently committed to localise at least 15 products on their shelves.
- Proudly SA presented to the South African Petroleum Industry Association, Agbiz, and Banking Association South Africa (BASA).
- Proudly SA hosted four (4) virtual Business Forums with the following themes:
  - Brand Relevance
  - Technological Solutions to your business
  - Localisation- Keeping it close to home
  - Rebuilding your team after a crisis
- Proudly SA also hosted four (4) webinars on behalf of DTIC, BUSA, the National Gambling Board and Nedlac (Annual Summit)
- Proudly SA introduced and hosted five (5) online Instagram live sessions for Local Fridays to drive consumer education utilising influential South Africans in different spheres.

- The CEO made various virtual presentations which included the Technical MinMEC, GCIS, Portfolio Committee and Manufacturing Indaba
- Three (3) dipstick surveys were planned and four (4) were undertaken for the 4 webinar forums hosted during the period.
- Proudly SA presented to 11 industry bodies in the SARS led Customs & Excise Industry Forums namely sugar, tobacco, plastics, downstream steel, tyre, scrap metal, beverage, footwear and leather, alcohol, furniture, clothing and textiles.
- The database of locally made products and services grew by an additional 1 521 new products with the database now having 19 109 products and services.
- Nineteen (19) press releases were issued to mainstream media during the quarter, although only nine (9) were planned for the quarter.
- Ten (10) media engagements were planned but twelve (12) took place.
- The average increase in following on the five (5) social media platforms is in excess of the targeted 2.0%.
- The target of recruiting 55 new members was exceeded, as 66 new members were recruited during the quarter under review.
- The target of 70% for membership retention/renewal rate was exceeded as 88% was achieved.

#### 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 third quarter of the 2020/21 financial year, and below are some of the areas where the campaign fell short for the quarter:

- Two (2) consumer activations were planned but did not take place due to the COVID-19 regulations.
- Two (2) campus consumer education activations did not take place due to the COVID-19 regulations.
- One (1) CSI activity was planned but did not take place due to the COVID-19 regulations.
- No member companies have been integrated with National Treasury's CSD as development work is required in order for both the CSD and Proudly SA systems to synchronise. Once completed, an MoU to give effect to the integration will be finalised with NT in Q4.
- The change in the hosting of virtual instead of physical meetings meant that Proudly SA could no longer host the SOEPF Q3 meeting as planned, however Proudly SA participated and made inputs in all SOEPF meetings and engagements during the quarter.
- No industry localisation commitments were finalised, however we have received an in-principle commitment from SAPIA (Petroleum Industry Association) to identify items for local procurement by the industry at large, and the commitment by each of the FMCG retailers to localise at least 15 items on their retail shelves more than makes up for this.
- One (1) Provincial Public Sector forum was planned for Q3 but did not materialise, and this will be rolled over into Q4, with the rest of the forums planned for that quarter. This follows the commitment made by the provinces at the Technical MinMEC meeting to host these forums, when Proudly SA presented on the need for the provinces to support the Buy Local campaign and comply with the local procurement regulations.



### 4.3) Membership report for Q3 2020/21

#### Overview

The Proudly South African membership base is growing at a steady pace with 1,910 companies currently registered as members of the Campaign.

In quarter three of 2020/2021, a total of 63 new members were recruited against the target of 55. Members were mostly recruited in the SMME classification, followed by four members from the Diamond category namely, KAP Group, The Chem Group, Bravo Group and Noko Milling.

Most new members were acquired in Gauteng (at 44) followed by KwaZulu Natal (9), Western Cape (4) and the rest from North West, Limpopo, Mpumalanga, and the Eastern Cape. The positive is that membership is not restricted to the 3 major provinces.

Companies in the manufacturing sector remain the strongest with 34 new members followed by professional services with 19 new members.

Proudly SA's database of local products and services grew by 1,521 new products and services, well exceeding the target of 125.

The rate of retention of member companies for the current quarter is at 88%. December was greatly positive on a 100% renewal of members, which included the 2-year renewal of diamond member VKB with its 8 subsidiaries. The renewals, however, paint a guardedly positive picture, as the membership department remains cautiously optimistic in strategically tackling the losses from the previous quarters that were adversely affected by the COVID-19 pandemic and its restrictions on business.

In this quarter, one membership was cancelled, as they are no longer in operation due to the strain COVID-19 has put on their business.

#### Quarter 3 Highlights

Membership Base	
As of Q3 2020/2021	1,910
New Members	
Target	55
Achievement	63
Renewal Rate	
Target	70%
Achievement	88%
Database of Local Products and Services	
Target	125
Achievement	1,521
Previous Quarter: Q2 2020/2021	17, 588
Current Quarter: Q3 2020/2021	19,109

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

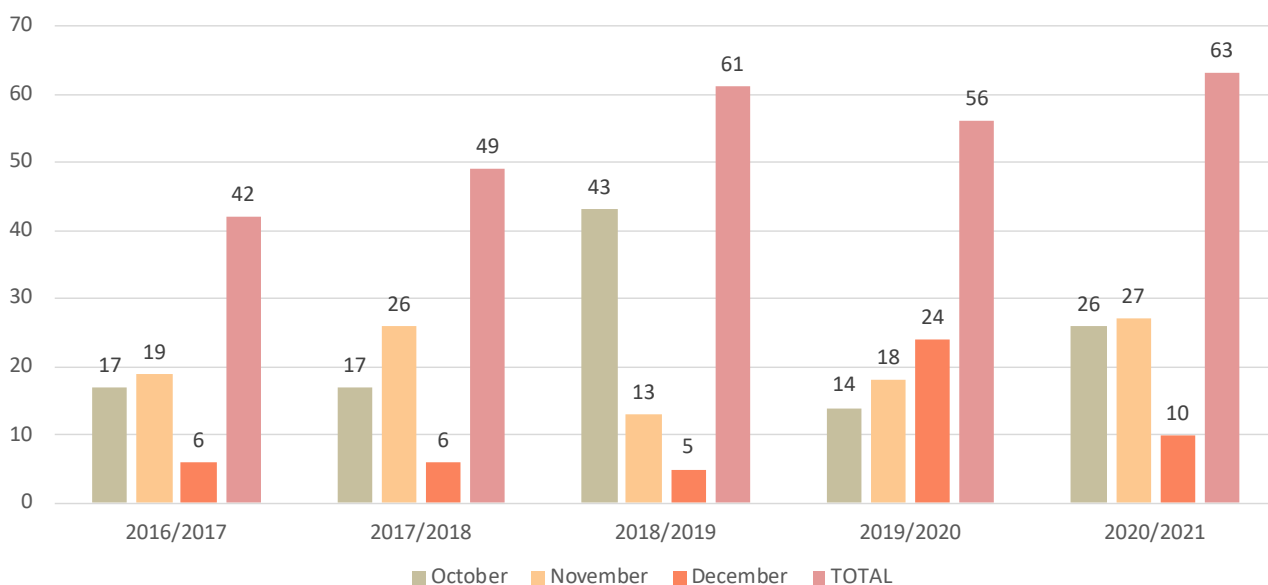
Classification of members		
Category	<b>SMMEs</b> Small, micro and medium enterprises turning over less than R5 million per annum and organisations including foundations, councils, associations, and not-for-profit institutions	Annual membership fee (excluding VAT) R500.00
	<b>Bronze</b> Organisations turning over between R5 million and R10 million per annum	R1,000.00
	<b>Silver</b> Companies turning over between R10 million and R30 million per annum	R10,000.00
	<b>Gold</b> Companies turning over between R30 million and R50 million per annum	R20,000.00
	<b>Platinum</b> Companies turning over between R50 million and R100 million per annum	R50,000.00
	<b>Diamond</b> Companies turning over R100 million or more per annum	R100,000.00
Other terms		
Affiliate of Diamond	A company or division that falls under a holding company that is classified a Diamond (Proudly SA member company category)	
Beneficiary of Diamond	A company that forms a part of a larger organisation's enterprise and/or supplier development programme. The larger organisation is classified a Diamond (Proudly SA member company category)	
TE	A membership based on a Trade Exchange Agreement	
Leads (Company before it is converted to a member)	Lead Origin (origination of a lead)	
	Consultant-generated	A member consultant who is chasing to convert a lead they have generated themselves
	Direct	Enquiry received directly from an organisation interested in membership
	Event	Leads generated from Proudly South African's presence at events
	Referral	Referral of a company from an internal or extra stakeholder

### Newly-recruited members

Year-on-year Comparisons: 2016/2017 to 2020/2021

Month	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
October	17	17	43	14	26
November	19	26	13	18	27
December	6	6	5	24	10
<b>TOTAL</b>	<b>42</b>	<b>49</b>	<b>61</b>	<b>56</b>	<b>63</b>

#### GRAPHICAL REPRESENTATION YEAR-ON-YEAR COMPARISON 2016/2017 TO 2020/2021



The 5-year view of Q3 shows that the base is growing. Focus needs to be placed on ensuring the growth is sustained and does not decline as in 2019/2020 when compared with other quarters.

**2020/2021 Q2 NEWLY-RECRUITED MEMBERS BY MONTH**

Company	Sector	Province	Classification	Lead Origin
<b>October</b>				
9869 Hygiene	Professional Service	Gauteng	SMME	Direct
African Poncho (Pty) Ltd	Manufacturer	North West	SMME	Direct
Chuck Chilli Foods (Pty) Ltd	Food Products	Gauteng	SMME	Direct
Eco Acquittal	Manufacturer	Gauteng	SMME	Direct
Exquisite Manufacturing	Manufacturer	Gauteng	SMME	Direct
Feltex	Manufacturer	Gauteng	Diamond Subsidiary	Referral
Focus Facilities Solutions (Pty)Ltd	Professional Service	Western Cape	SMME	Direct
Foothill Trading & Investments	Wholesale & Retail Trade	KwaZulu Natal	SMME	Direct
Hesed Consulting (Pty) LTD	Professional Service	Gauteng	SMME	Direct
House of Khumalo (Pty) LTD	Food Products	North West	SMME	Direct
KAP Corporate Service	Manufacturer	Gauteng	Diamond	Referral
Lula Loop	Professional Service	Gauteng	SMME	Direct
Nandzu Trade General Projects	Construction Engineering & Architecture	Limpopo	Platinum	Referral
Nomageba Trading	Food Products	Gauteng	Bronze	Referral
NUWAVE SKIN (Pty)Ltd	Professional Service	Mpumalanga	SMME	Direct
Restonic	Manufacturer	Gauteng	Diamond Subsidiary	Referral
RNS Kumbe Enterprise	Manufacturer	Gauteng	SMME	Direct
Safripol	Manufacturer	Gauteng	Diamond Subsidiary	Referral
Scientific Sanitation Solution	Manufacturer	Gauteng	SMME	Direct
Shatis Farm Produce	Food Products	Gauteng	SMME	Direct
Soma HR Payroll Solution	Professional Service	Gauteng	SMME	Direct



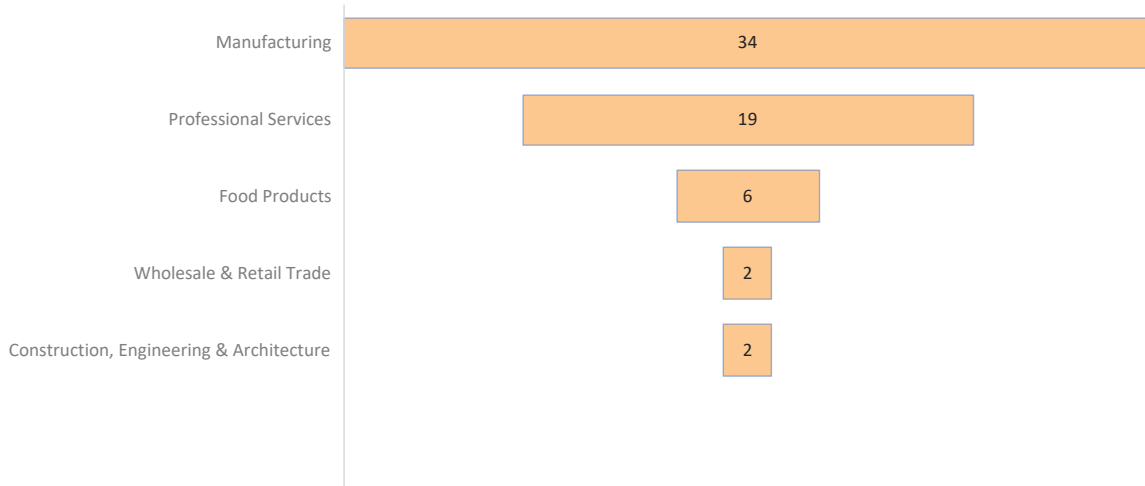
Company	Sector	Province	Classification	Lead Origin
<b>October continued</b>				
The Platinum Incubator	Manufacturer	North West	SMME	Direct
Trial-Link CC	Manufacturer	Gauteng	Gold	Direct
Unitrans	Manufacturer	Gauteng	Diamond Subsidiary	Referral
Velobiotics (Pty) Ltd	Manufacturer	Gauteng	SMME	Direct
Yuri Youth Development	Manufacturer	Gauteng	SMME	Direct

Company	Sector	Province	Classification	Lead Origin
<b>November</b>				
Artisan 365 SA	Construction, Engineering & Architecture	Western Cape	SMME	Direct
Blendtech	Manufacturer	KwaZulu Natal	Diamond Subsidiary	Referral
Brandhill Africa Pty LTD	Professional Service	Gauteng	SMME	Direct
Chem Group SA Pty LTD	Manufacturer	KwaZulu Natal	Diamond	Referral
Classic Accessories CC	Manufacturer	Gauteng	SMME	Direct
Deliverin	Wholesale & Retail Trade	KwaZulu Natal	SMME	Direct
Fides Trading Pty LTD	Manufacturing	Gauteng	SMME	Direct
Hermetic Mobility Africa	Professional Service	Gauteng	SMME	Direct
Hitech Chemicals	Manufacturer	KwaZulu Natal	Diamond Subsid- iary	Referral
Institute of Plumbing (Pty) LTD	Professional Service	Gauteng	SMME	Direct
Isparkle	Manufacturer	Gauteng	SMME	Direct
Jag Chemicals	Manufacturer	KwaZulu Natal	Diamond Subsid- iary	Referral
Jowi Interiors	Professional Service	Gauteng	SMME	Direct
KZN Bodies Conversions Fabricators (Pty) Ltd	Manufacturer	KwaZulu Natal	SMME	Direct

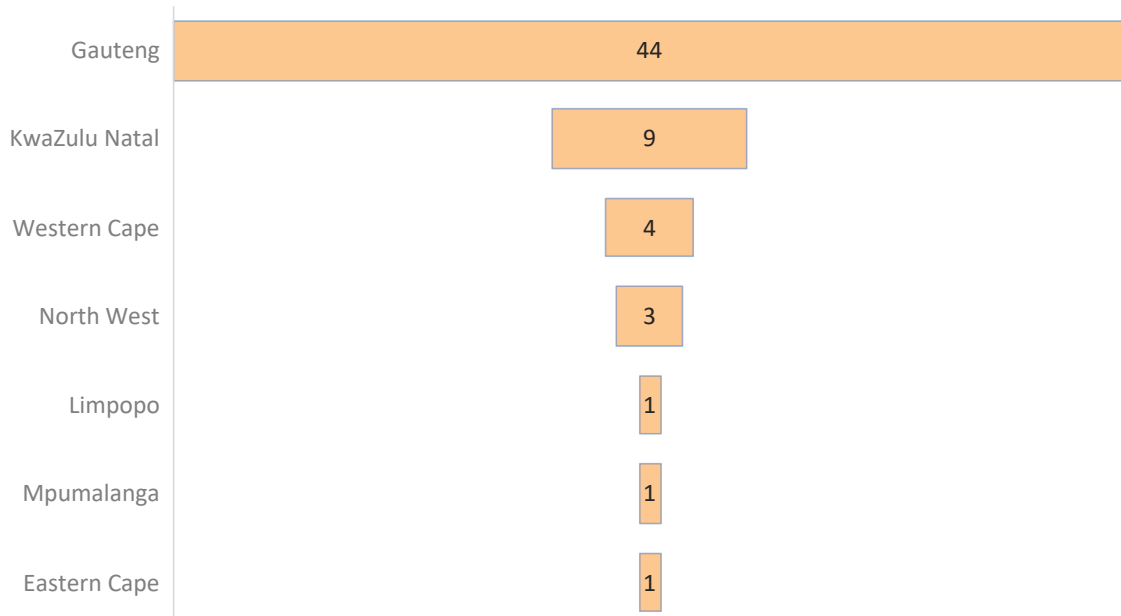
Company	Sector	Province	Classification	Lead Origin
<b>November continued</b>				
Manasseh Enterprise (Pty) LTD	Professional Service	Gauteng	SMME	Direct
Masodi Organics	Manufacturer	Gauteng	SMME	Direct
Mighty Media	Manufacturer	Gauteng	Silver	Referral
MustHav Distributors	Professional Service	Gauteng	SMME	Direct
Nel K Trading & Projects	Professional Service	Gauteng	SMME	Direct
Nsala Africa	Manufacturer	Gauteng	SMME	Direct
Pansula Shoes Pty LTD	Manufacturer	Gauteng	Silver	Direct
Trainsafe Pty LTD	Professional Service	Gauteng	SMME	Direct
Tsentle Collection	Manufacturer	Gauteng	SMME	Direct
Tron Lubricants	Manufacturer	KwaZulu Natal	Diamond Subsidiary	Referral
Turner Technology	Professional Service	Gauteng	SMME	Direct
Umnotho Cash Management	Professional Service	Gauteng	SMME	Direct
Vuttomi Liquids Pty LTD	Manufacturer	Gauteng	SMME	Direct

Company	Sector	Province	Classification	Lead Origin
<b>December</b>				
Bravo Group (Pty) LTD	Manufacturer	Gauteng	Diamond	Referral
Corporate Solutions Consulting	Professional Service	KwaZulu Natal	SMME	Direct
GS Customs SA (Pty) LTD	Manufacturer	Western Cape	SMME	Direct
House of Indiza Tea (Pty) LTD	Food Products	Gauteng	SMME	Direct
Ipsum Primis (Pty) LTD	Professional Service	Gauteng	SMME	Direct
The Victorian Garden Organic Skincare CC	Manufacturer	Gauteng	SMME	Direct
Peak Brands CC	Manufacturer	Western Cape	SMME	Direct
Imnandi Bakery (Pty)	Food Products	Eastern Cape	SMME	Direct
Roka Media (Pty) LTD	Professional Service	Gauteng	SMME	Direct
Noko Milling (Pty) LTD	Manufacturer	Gauteng	Diamond	Referral

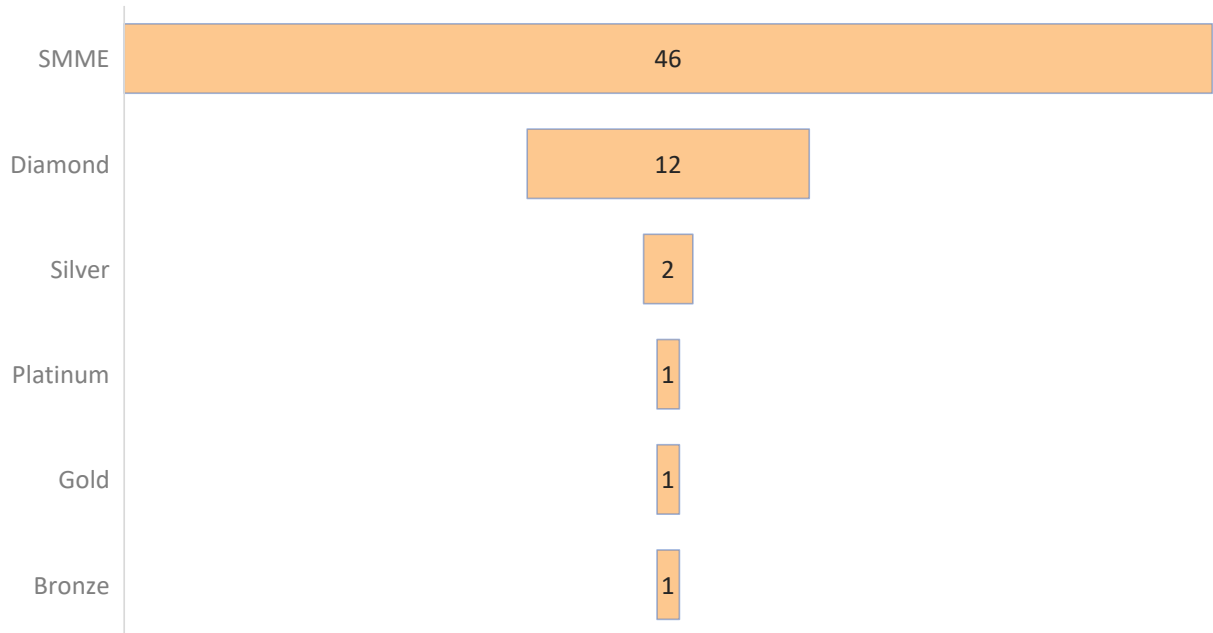
**2020/2021 Q3  
NEWLY-RECRUITED MEMBERS BY SECTOR**



**2020/2021 Q3  
NEWLY-RECRUITED MEMBERS BY PROVINCE**

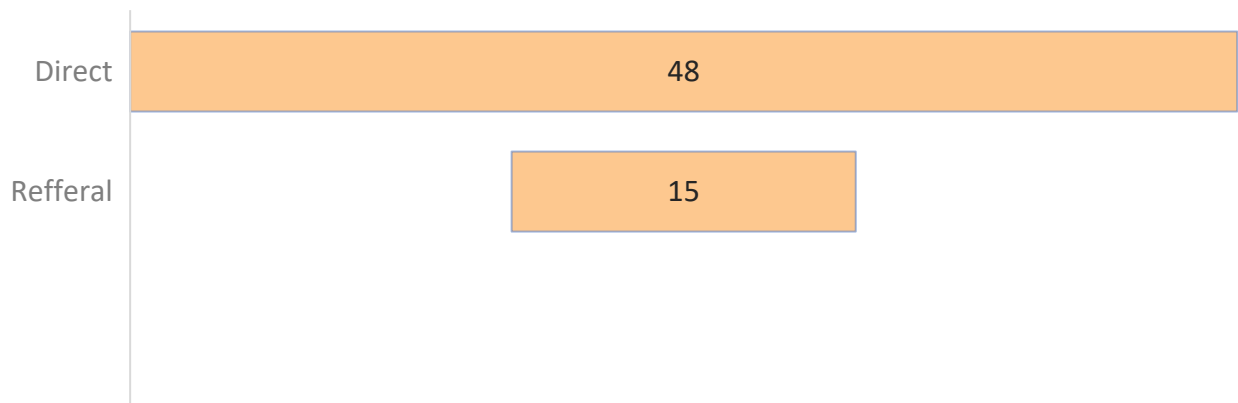


2020/2021 Q3  
NEWLY-RECRUITED MEMBERS BY CLASSIFICATION



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2020/2021 Q3  
NEWLY-RECRUITED MEMBERS BY LEAD ORIGIN



## 2020/2021 Q3 RENEWAL MEMBERS

RENEWAL REPORT	
Target	88%
Renewal Rate	70%
REASON FOR GROWTH	
<ul style="list-style-type: none"> <li>• Previous quarter Q2 2020/2021 saw the renewal rate increase slightly, but Business Confidence was not yet restored, and members held back on renewing.</li> <li>• Current quarter Q3 2020/2021 saw South Africa enter into lockdown levels 2 and 1, respectively. This cautiously renewed Business Confidence and members began renewing their memberships.</li> </ul>	
<b>Number of cancelled memberships: 1 company (COVID-19 had affected the operations of this business, and the company subsequently had to shut down)</b>	

### Renewal summary & strategy for Q4 and beyond:

Business Confidence fell to the lowest levels ever recorded during April 2020 due to the cumulative effects of the lockdown, caused by the Coronavirus. Ratings downgrades and an overstretched fiscus took hold of an economy that was already confronting a recession. As a result, the Proudly South African renewal rates during the mentioned periods were adversely affected.

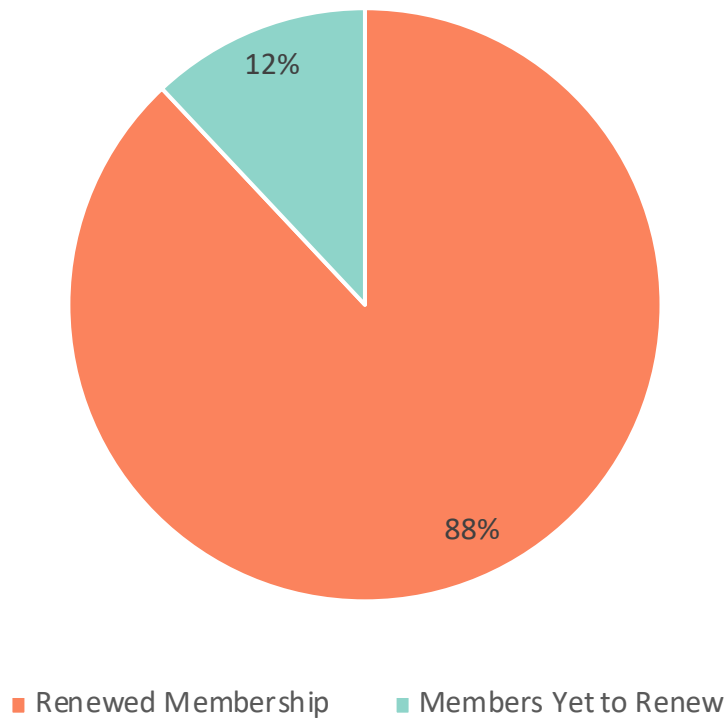
In Q2, South Africa came down 2 levels via the phased re-opening approach. The renewal rates began to pick up slightly to a cumulative percentage of 48% for the quarter.

Even with the phased approach in Q2, and less strict lockdown measures, Business Confidence was not restored and the focus for many in both the public and private sectors were the dual responsibility of managing health and business activity effectively.

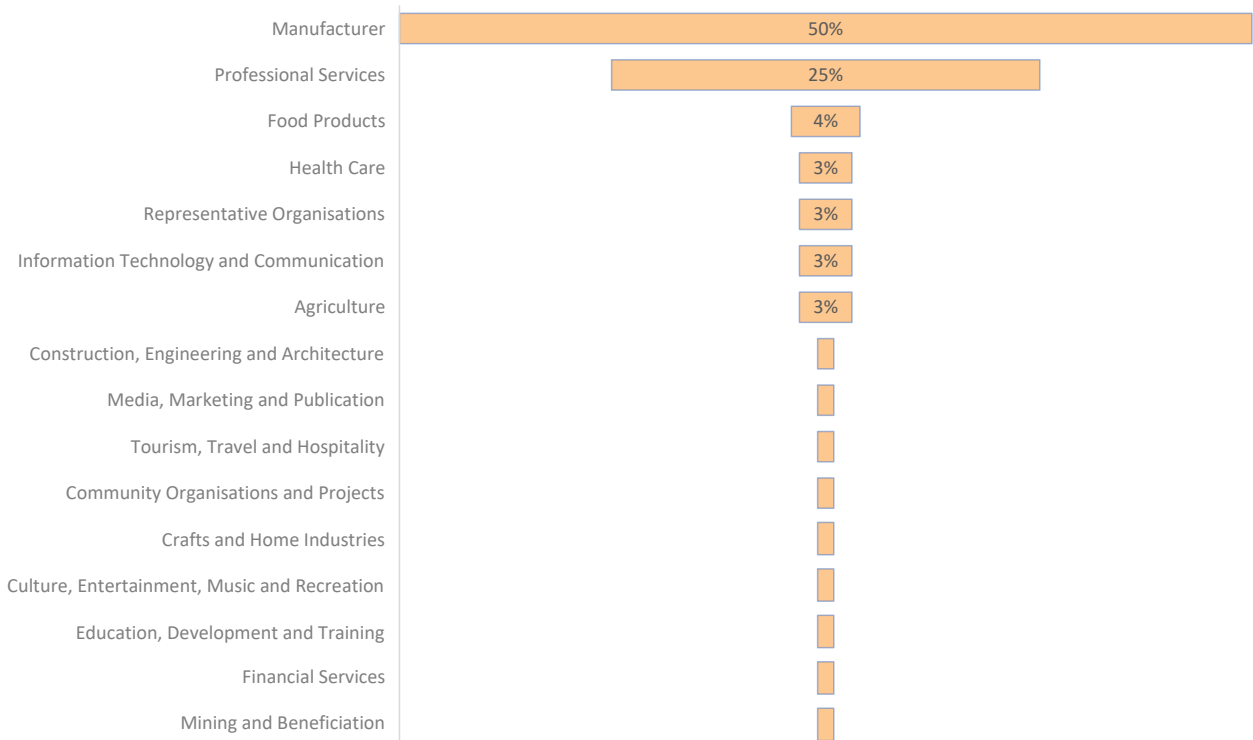
In Q3, the country entered into level 1 of the lockdown phased approach and Proudly SA members began viewing the business environment from a positive perspective. This assisted the membership renewal rate to increase significantly. December saw a 100% membership renewal for instance.

Due to the huge delays in members renewing their Proudly SA memberships, in previous quarters, a strategic plan has been put in place to bring back the members that did not successfully renew in these aforementioned periods.

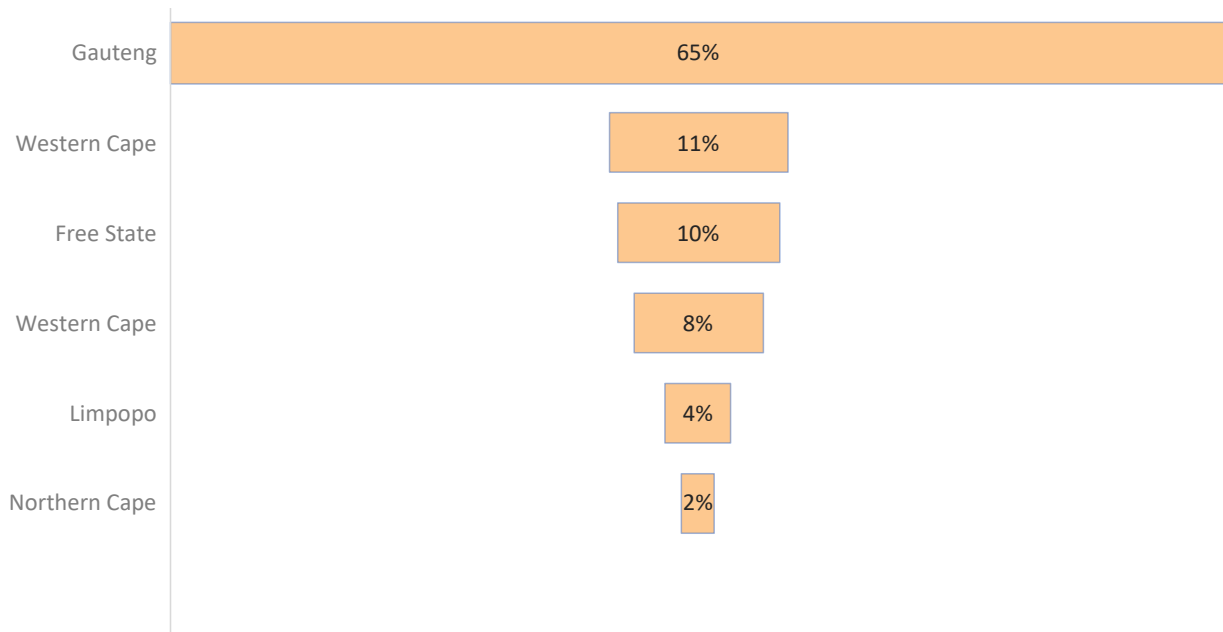
**2020/2021 Q3  
RENEWED MEMBERSHIPS V YET TO RENEW**



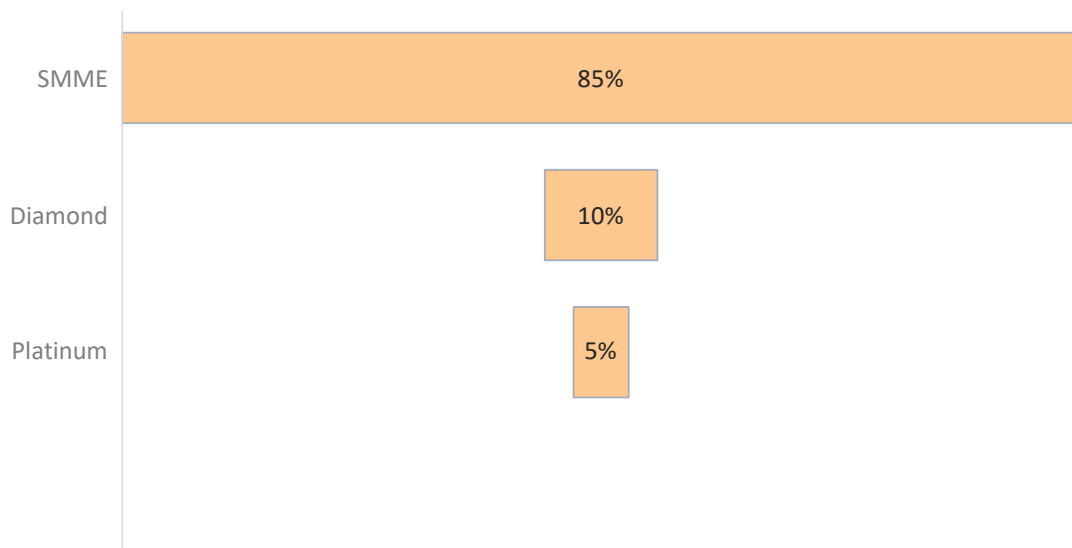
**2020/2021 Q3  
RENEWING MEMBERSHIPS BY SECTORS**



**2020/2021 Q3  
RENEWING MEMBERSHIPS BY PROVINCE**



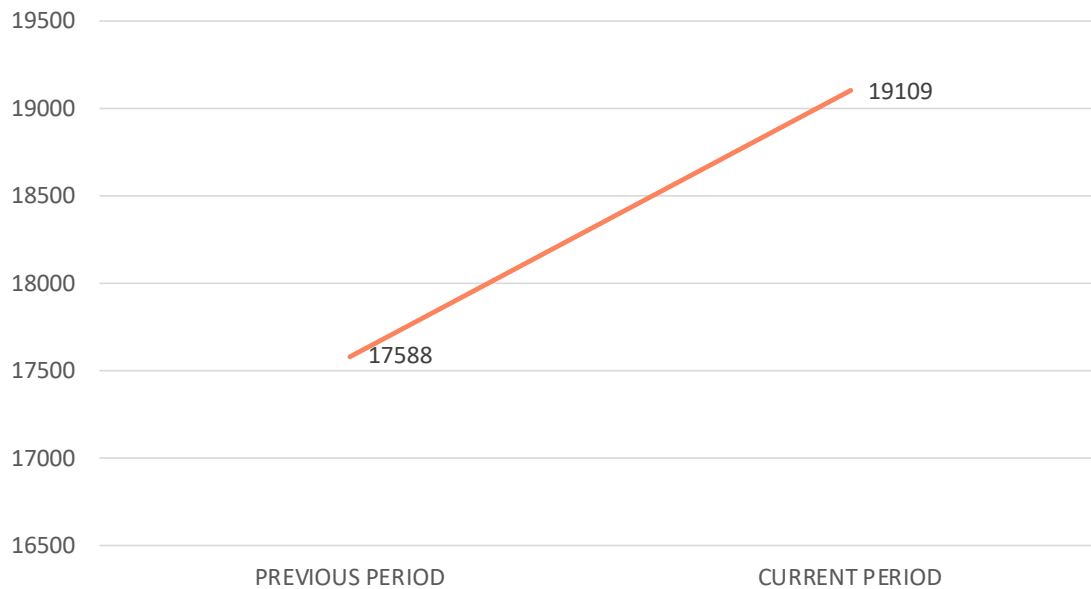
**2020/2021 Q3  
RENEWING MEMBERSHIPS BY CLASSIFICATION**



**2020/2021 Q3 DATABASE OF LOCAL PRODUCTS AND SERVICES**

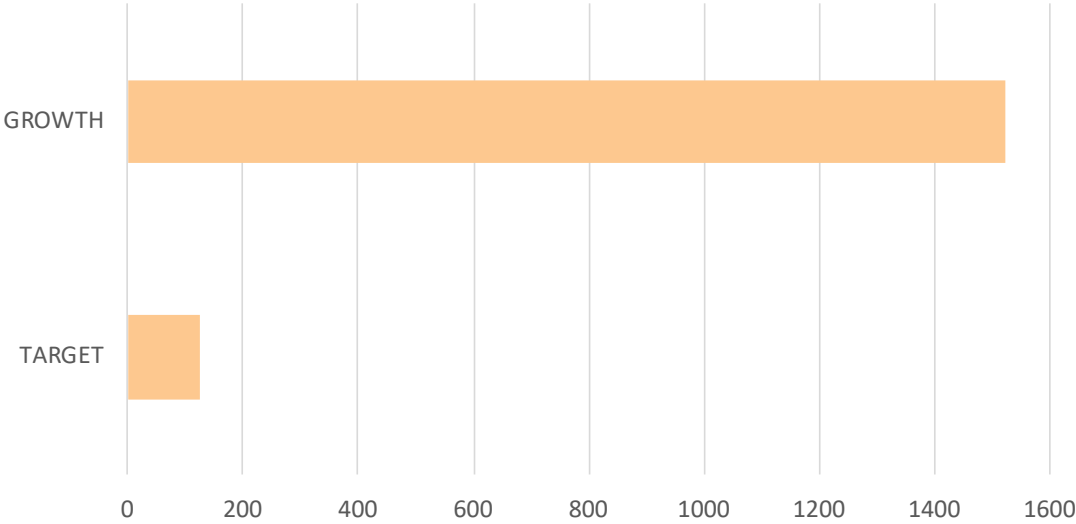
<b>PROUDLY SOUTH AFRICAN DATABASE</b>	
<b>Period</b>	<b>Number of Products and Services</b>
Previous Quarter: 2020/2021 Q2	17,588
Current Quarter: 2020/2021 Q3	19,109
<b>2020/2021 Q3</b>	
Target	125
Achievement	1,521
<b>Target Exceeded: 1 217%</b>	

**2020/2021 Q3  
DATABASE OF LOCAL PRODUCTS AND SERVICES  
PREVIOUS PERIOD V CURRENT PERIOD**





2020/2021 Q3  
DATABASE OF LOCAL PRODUCTS AND SERVICES  
TARGET V GROWTH



#### 4.4) Highlights for the quarter

## EVENTS AND ACTIVATIONS

### Proudly South African Webinars

#### Making your brand relevant during these unprecedented times

29 October 2020: Held at the Skinny Sbu Socks store in Maboneng and streamed online



Facilitated by Jeremy Maggs, the focus of this webinar was on the survival techniques employed by a number of our member companies and how they have maintained the relevance of their brands during the last few months.

Leigh Tobin of Alphabet Social guided the audience through online and digital marketing tools, Ipeleng Matlhoko from Makhamsa Foods spoke about keeping the business operating and host Sibusiso Ngwenya talked about entrepreneurship and opening a new store during the coronavirus pandemic. Proudly SA CEO, Eustace Mashimbye gave a presentation on the buy local campaign.

**Viewers: 180 on Zoom, YouTube and Twitter.**

**WEBINAR**  
Keeping your brand relevant during unprecedented times

Eustace Mashimbye  
Proudly South African

Sibusiso Ngwenya  
Skinny Sbu Socks

Leigh Tobin  
Alphabet social

Ipeleng Matlhoko  
Makhamsa Foods

Jeremy Maggs  
facilitator

29 OCTOBER 2020 | 11:00 - 13:00

**LIVE**

Twitter, Facebook, YouTube

## Finding and applying technological solutions for business

12 November 2020



## Rebuilding your team after a crisis

03 December 2020

The prolonged period of COVID-19 related economic inactivity has led to many retrenchments, job restructuring, salary reductions and associated workplace disruptions. With the worst hopefully now behind us, we discussed how to rebuild your team, renew their confidence in the future and emerge from survival mode into a new phase for businesses.

Facilitated by Proudly South African's Jeannine van Straaten, the webinar panel included Mandisa Mathobela, Deputy Chairperson of The Institute for Stakeholder Relations – Southern Africa, Tiaan Esterhuysen, Field Team Manager at Hisense, Janine Peterson CEO of J9 Wines & Matlhogonolo Ledwaba, Managing Director at the Breadbox Bakery who spoke about their different strategies around team building following the pandemic and a presentation from Happy Ngidi, Proudly SA's CMO.

**Viewers Zoom: 93, with follow up viewings on You Tube: 8, Twitter: 643, Facebook: 229**

This webinar discussed the importance in education, the workplace and in our lives in general of the Fourth Industrial Revolution.

The future of learning will heavily rely on technology to accelerate learning and investment in technology in the boardroom is a priority.

UJ's Professor Tankiso spoke about the major transformation taking place in our society specifically with reference to communication technologies such as MeetMe, Zoom and Microsoft that are having a huge impact. He also spoke about how the pandemic pushed SA to respond to the 4th Industrial Revolution.

Ngwako Ramohlale, Head of Innovation at SoluGrowth which is a company with clients across the globe and which provides services in the knowledge process outsourcing, business process outsourcing and managed solutions areas, expounded on how 4IR needs collaboration for better problem solving.

Eddy Mokobodi, Director of Sakisa Energy which focuses on ensuring access to affordable, reliable, sustainable energy for all, spoke about the importance of energy in today's world and how their company creates solar and hybrid solutions energy solutions.

**Viewers 30+ Attendees**



## Webinars hosted for third parties on Proudly SA platforms

### Locally Produced Products: Compliance with Industrial Technical Institutions

05 November 2020

The objective of the dialogue was to highlight the economic benefits to the South African economy of buying local, and key sectors which can make a significant contribution to job creation and economic growth for the country.

Facilitated by Dr Tebogo Makube - Chief Director: Industrial Procurement, the dtic, the dialogue aimed to educate consumers and manufacturers on the mandates of the dtic's technical industrial institutions and to educate the public on the #BuyLocal campaign. Highlights included the importance of buying products which comply with approved technical standards and regulations and create awareness on fake goods illegally bearing Proudly South African's logo and the South African Bureau of Standards' stamp of approval.

The dtic agencies that participated in the dialogue included Mr Eustace Mashimbye - Chief Executive

Officer, Proudly South African, Mr Bongani Khanyile: General Manager – Electrotechnical National Regulator for Compulsory Specifications the National Regulator for Compulsory Specifications (NRCS), Mr Thabo Chesalokile - Acting Accreditation Executive South African National Accreditation System South African National Accreditation System (SANAS), Mr Katima Temba: Acting Executive – Certification South African Bureau of Standards (SABS), and Mr Ndwakhulu Mukhufhi - Chief Executive Officer National Metrology Institute of South Africa (NMISA).

Together, they unlocked institutional capacity to drive industrial competitiveness and ensure quality assurance of all locally manufactured products.

**Viewers: 330 (Zoom), 233 (Facebook Live)**

**SABS**

The South African Bureau of Standards (SABS) is mandated to:

- Develop, promote and maintain South African National Standards (SANS);
- Promote quality in connection with commodities, products and services; and
- Render conformity assessment services and matters connected therewith.

5 NOVEMBER 2020 | 11:00 – 13:00

**sanas**  
South African National Accreditation System

**AGRICULTURE**

With almost 60% of South Africa's fresh produce destined for export markets, SANAS accredited food testing laboratories ensures that the fresh produce is tested to meet the internationally accepted standards.

5 NOVEMBER 2020 | 11:00 – 13:00

**nmisa**  
National Metrology Institute of South Africa

Reliable regional authority for accurate measurement to meet industry product specifications for local and export markets

5 NOVEMBER 2020 | 11:00 – 13:00



## High-Level Private Sector Localisation Engagement Linked to Economic Reconstruction and Recovery

13 November 2020

The Economic Reconstruction and Recovery Plan identifies key areas that can make a significant contribution to recovery in a sustainable manner, and these include localisation and re-industrialisation. The keynote address was given by Mr Ebrahim Patel who was introduced by facilitator Martin Kingston, Vice President, Business Unity South Africa. Harald Harvey, Advisor to Minister Ebrahim Patel spoke as did Eustace Mashimbye, Chief Executive Officer of Proudly South African and Stavros Nicolaou of Aspen Pharmaceuticals and Proudly SA board member.

The webinar was driven by the Localisation Technical Working Committee which represents business, government and labour. The focus was to lead and consolidate localisation efforts across sectors by applying a wide industry engagement approach and to explain to the delegates the benefits of localisation as outlined in the Economic Recovery and Reconstruction Plan, as well as the tools available to the private sector to further localisation in value chains.

**Viewers: 166 invited delegates from BUSA, BLSA, NBI, Manufacturing Circle and SAB.**

## National Gambling Board

20 November 2020

Organised by the National Gambling Board with the theme 'Transformative technologies from a regulatory perspective', this webinar's main role was to assess how stakeholders in the gambling industry will approach their respective roles given lessons learned during and post COVID-19, and how they will deal with any other future disruptors.

To assist with strategies for the navigation of changes within the sector, speakers included representatives from the Department of Trade, Industry and Competition, and

the South African Responsible Gambling Foundation.

The webinar was divided into two sessions:

**Session 1:** Adapting to home-based punters, how new games are being developed and tested for certification.

**Session 2:** Regulating during and post covid-19 and facing future disruptors.

**Viewers: 86**



# 25<sup>th</sup> NEDLAC ANNUAL NATIONAL SUMMIT

## **Nedlac Annual Summit 8 December 2020**

The National Economic Development and Labour Council promotes socio-economic dialogue between government, business, labour and community constituencies. This was its 25th Annual National Summit.

This year's summit was held virtually with the theme: 'Social compacting for economic recovery in the time of Covid-19 pointers to the future'.

The Summit included a keynote address by Deputy President, David Mabuza, with an overview of Nedlac's activities of the past year.

Proudly South African hosted the webinar on its Zoom platform and YouTube channel with 30 live seated audience members at the Hilton Hotel, Sandton.

**Viewers: 205**

## 4.5) PR, Communications & Media

### 4.5.1) Summary

The quarter in review saw extensive public relations and media activity, as well as multiple social media campaigns which ran concurrently.

#### Black Friday

The Black Friday phenomenon, which whilst more subdued this year than previous years, nevertheless featured. We sent out an early appeal to buy local and earned good media coverage ahead of all the other 'noise'.

#### Festive Season Campaign

Whilst the festive season campaign did not have an official launch this year, we moved into the generic campaign after Black Friday.

As in previous years, we involved the public/consumers in the campaign with a consumer competition, based on the Media Quiz of the 2nd quarter. Released on the Day of Reconciliation, and closing on the final day of the year, the competition attracted over 200 entries, with the winners each receiving a R1 000 RSA-Made voucher. Winners to be announced in Q4.

The competition ran across all social media platforms ie. Facebook, Instagram, Twitter and LinkedIn.

#### Social Media campaigns

Proudly SA partnered with a number of our stakeholders to produce strong social media campaigns on behalf of:

- The clothing and textile sector 'What are you wearing, Mzansi' (collaboration with WearSA, TFG)
- The poultry sector (supported by Fairplay's PR around our work together on the sector Master Plan and including member companies in the poultry retail and producer sectors)
- SAFLEC and FLIC - a series of back-to-school ecards featuring a number of school shoe and leather belts etc manufacturers.
- One Meal, Many Thanks initiative
- Generic COVID-19 messaging



### Amplification of the Buy Local Message (The Good Group)

The Good Group was the creative agency behind our Game Time tv commercial. In mid-November we engaged their services to assist amplify the buy local message. They issued 2 press releases during the period under review, securing a number of broadcast interviews (23), online mentions (27) and print features with a cumulative AVE of R1 632 547.28 and PR value of R4 897 641.84.

### Television campaigns

Between mid-November and the end of the quarter under review, Proudly SA ran L boards, squeeze back messages and clock countdown messages on eTV, eNCA, SABC (all channels) and selected DSTV channels including Newzroom Afrika. This was by far our widest reaching campaign, running simultaneously across all these channels, reaching every demographic.

For the initial period the messaging was 'Buy local this festive season to create jobs' switching on 26 December to a 'back to school' message.

Broadcaster	Total spend	Total Value	Reach (viewers)	No. spots
SABC (all channels)	R 3 437 465	R4 986 100	20M	213
eTV	R1 248 900	R269 700	eTV news 2.5m	21
eNCA	Included in above figure for eTV	R1 114 500	eNCA news 912 336	63
Newzroom Afrika	R450 000	R742 580	2.7M	83

### Community Radio Campaign

As part of the festive season messaging, the campaign paid for a number of live reads with interviews, as added value, on regional and community radio stations as follows:

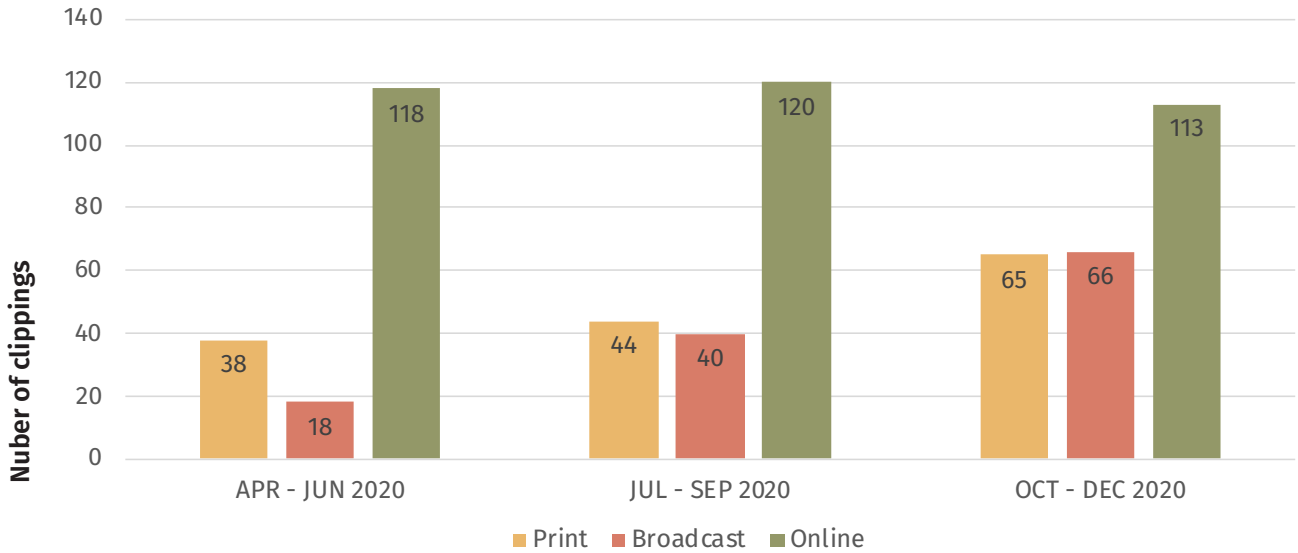
Gauteng	Voice of Wits fm
Eastern Cape	PE fm
Western Cape	Zibonele fm
Free State	Motheo fm
Limpopo	University of Venda (Univen) fm
Northern Cape	NFM Radio
Mpumalanga	Kangala fm
North West	Mahikeng fm



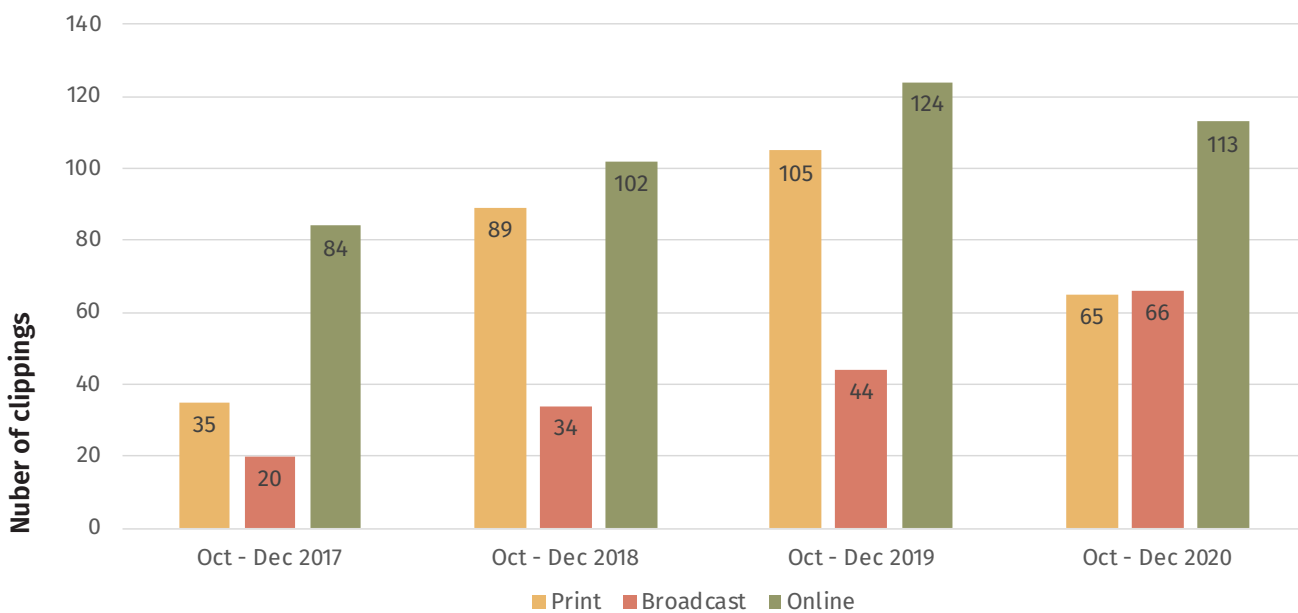
#### 4.5.2) CLIP COUNT ANALYSIS

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 (Oct – Dec 2020). Comparison is made with the same period in previous years, as well as with the rest of the current fiscal.

#### CLIP COUNT COMPARISON 2020/2021 FISCAL



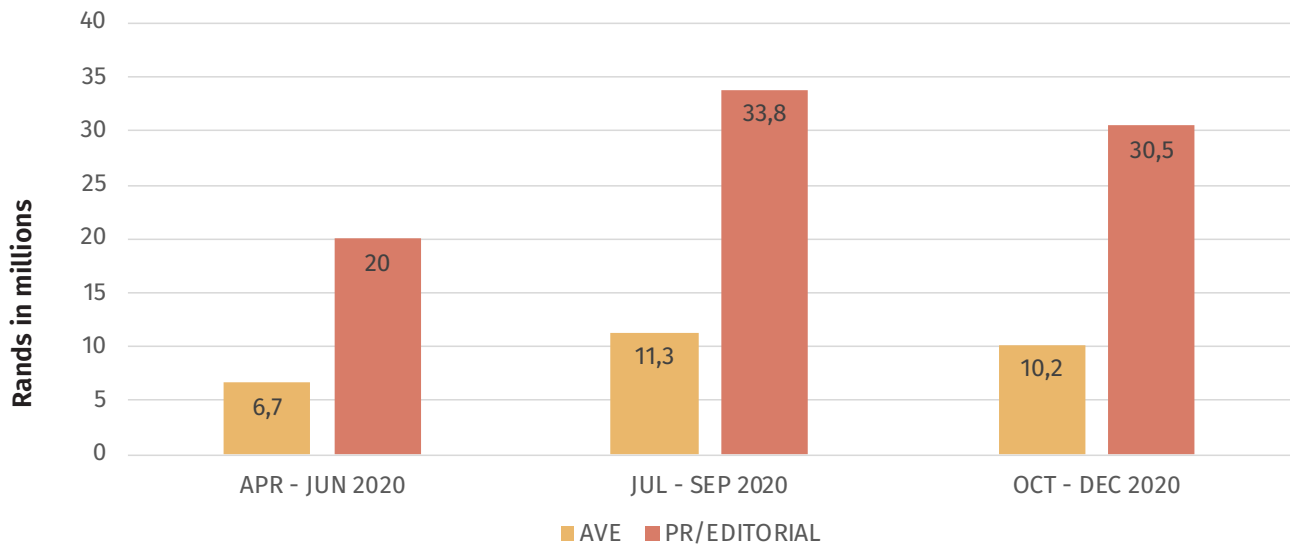
#### CLIP COUNT ANALYSIS Q3: 2017-2020



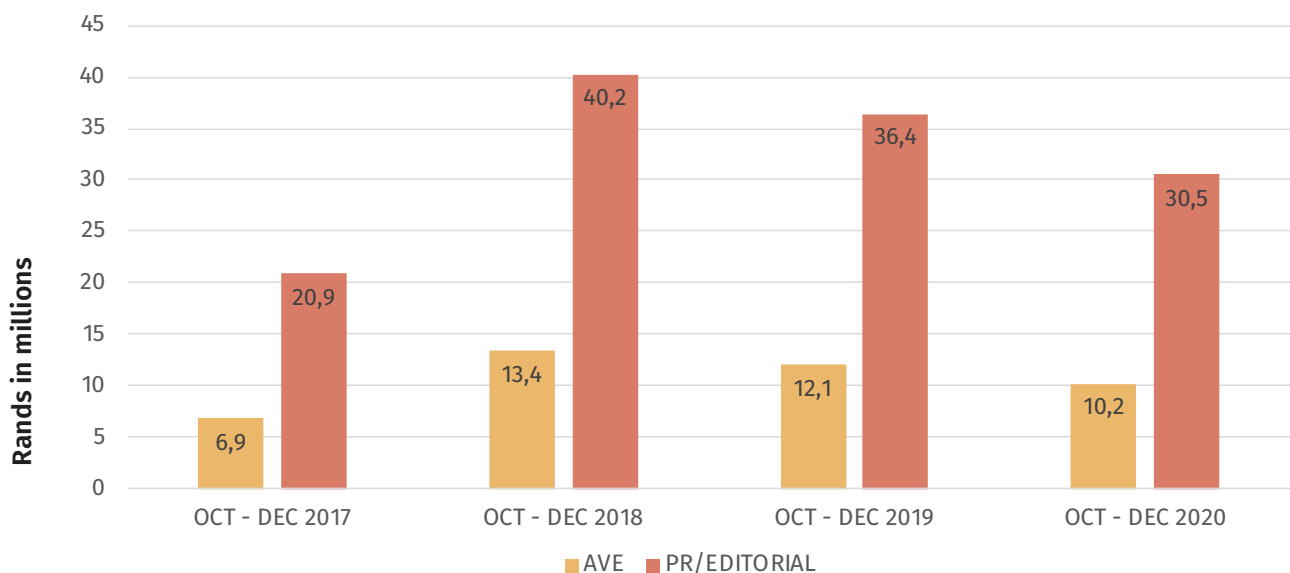
### 4.5.3) AVE/PR Values

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 recorded between October and December 2020 is R10.2 million and the PR/editorial value translates to R30.5 million.

#### AVE ANALYSIS 2020/2021 FISCAL



#### AVE ANALYSIS Q3: 2017-2019



#### 4.5.4) Press Releases/Op Eds/Media Articles

The following were issued between October and December 2020

No.	Date	Release/Commission	Title	AVE
1	12 October	Business Report Column	Unemployment figures cause for concern	R 252 563.80
2	16 October	Press release	DTIC to host dialogue on locally produced goods with PSA	R 137 709.63
3	19 October	Commissioned article for the ANC's Progressive Business Forum	Economic Inclusion	-
4	02 November	Paid for insert - Engineering & Mining Weekly	How did we survive? How will we recover?	R 25 263.28
5	05 November	Press release	DTIC regulation is the key to supporting local manufacturing	R 72 030.36
6	05 November	Press release (RCL Foods)	One meal, many thanks	R 106 148.68
7	09 November	Business Report Column	SA Luxury Goods Market	R 267 251.06
8	09 November	Press Release	Black Friday	R 1 478 668.94
9	23 November	Press release (Fair Play)	Buy local chicken	R 514 498.60
10	24 November	Business Report Column	Poultry Sector Master Plan	
11	24 November	Press release (The Good Group)	Buying local this festive season will keep the country 'in the game'	R 1 632 547.28
12	11 December	Press Release (The Good Group)	Proudly SA benefits local business	
13	24 November	Commission for GCIS op ed	Black Friday and the Festive Season	
14	25 November	Press release	Proudly SA congratulates the business community on its #Payin30 initiative	N/A
15	27 November	Response to Business Day article by Peter Bruce	Why local can indeed be lekker	R 70 744.00
16	November	Insert in Smart Procurement World event handbook	Local procurement as a driver of economic recovery	N/A
17	03 December	Press release	Proudly SA supports CTFL sector in back-to-school campaign	R 312 755.51
18	11 December	Press release	Proudly SA local airlines take back to the skies	R 31 678.08
19	14 December	Business Report Column	Crisis in the trucking sector a symptom of something bigger	R 219 179.84

#### 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 Assistant PR Manager 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).

- Motheo FM station management
- 702 midmorning show
- Kaya FM Saturday morning show
- VOW FM station management
- Y-FM station manager
- Newzroom Afrika
- eNCA/eTV
- Business Report
- Mafikeng FM
- PE FM
- Power FM
- Heritage month competition

#### 4.5.6) Social Media

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

	Followers 07 Apr 2020	Followers 30 Sep	Followers 31 Dec 2020	Q-Q growth Q2 - Q3	Fiscus growth Apr – Dec 2020
Facebook likes	16 982	17 797	18 128	331 (1.9%)	1 146 (6.7%)
Facebook follows	17 774	20 096	24 147	4 051 (20 %)	6 373 (35.9%)
Instagram follows	4 534	5 417	6 040	623 (11.5%)	1 506 (33 %)
LinkedIn	1 022	1 728	1 970	242 (14 %)	948 (92.7%)
Twitter	168 198	174 372	175 944	1 572 (0.9 %)	7 746 (4.6%)
YouTube	(JUL) 146	205	249	44 (21.5%)	Since JUL 103 (70.5%)
<b>TOTALS</b>	<b>208 656</b>	<b>219 615</b>	<b>226 478</b>	<b>6 863 (3.13 %)</b>	<b>17 822 (8.5%)</b>

Having grown by 8.5% since the beginning of the fiscus, the social media growth is well on track to achieve the 10% annual growth by the end of the fiscal.

The following #LocalFriday Instagram sessions took place in this quarter:

Liezle Wilson  
Professor Mamokgethi Phakeng  
Rob Byrne  
Black Motion  
Sisanda Henna

Additional campaigns we took part in during this quarter include:

One Meal Many Thanks  
Back to School  
Buy Local Chicken campaign  
Festive Season competition  
Festive season messaging  
Covid-19 awareness messaging

#### 4.5.6 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:

<b>DATE</b>	<b>EVENT</b>	<b>VENUE</b>
15 October 2020	The Case for Buying Local (Zimbabwe)	Virtual
23 October 2020	How to measure the Social of the Social Economy	Virtual
26 October 2020	Technical MinMEC	Virtual
5 November 2020	Public Procurement and Social Economy	Virtual
13 November 2020	High Level Private Sector localization Engagement linked to Economic Reconstruction and Recovery	Virtual
18 November 2020	GCIS Presentation	Virtual
25 November 2020	Presentation to Portfolio Committee	Virtual
10 December 2020	Manufacturing Indaba	Virtual

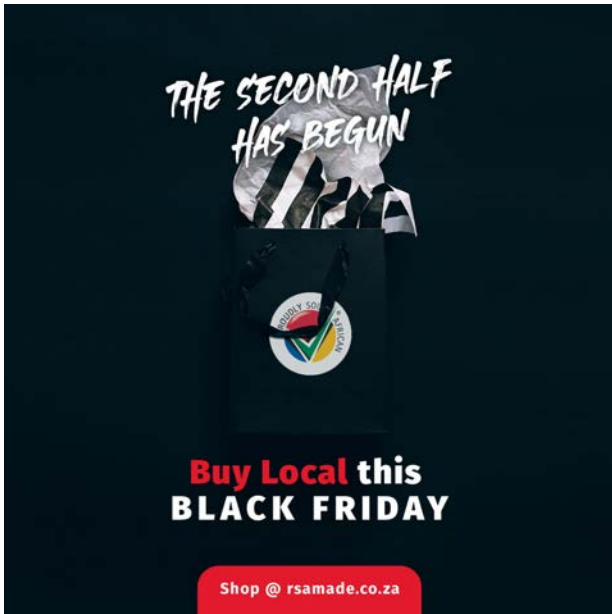
## ABOVE THE LINE CAMPAIGNS



As we moved into the busy festive season we planned online content that would keep South African products top of mind over the peak shopping period. During the quarter in review we worked on above the line activities such as The Game Time festive season L boards as well as back to school L boards that appeared on news channels across all broadcasters. In addition, we worked on internal branding that provided a support function to the organisation's overall activities.

The Branding Department's work includes the creation of all the design elements that are needed for every internal and external touch point of the campaign, including invitations, programmes, speaker slides and presentations and online portals. We have worked to make sure the company's identity and messaging is consistent and impactful at this time.

We made sure to get our message across in the digital space to reach as large an audience as possible. We ran various social media campaigns designed for the purpose of spreading the buy local message over the festive period.

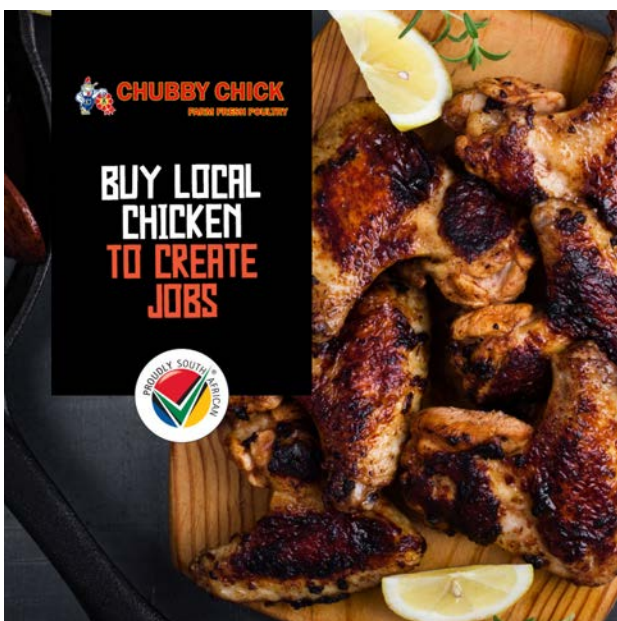


## Black Friday

We created an e-card for our online store, RSAmade for Black Friday special offers, encouraging awareness and the uptake of local products.

## Poultry Campaign

We ran a campaign promoting the poultry sector, profiling our member companies in the sector focussing on the importance of consumers buying locally produced chicken and other poultry products over imported products.





### CTFL Campaign

with this campaign on behalf of the clothing, textile, leather and footwear sector, we joined forces with members from this manufacturing industry. We asked the question “Mzansi, are you wearing local?” in a number of different e-cards, using the images of our member companies such as TFG’s The Fix & SACTWU’s Wear SA. With great imagery and a direct question we are able to engage the consumers on buying local at the same time as profiling members in the clothing sector.

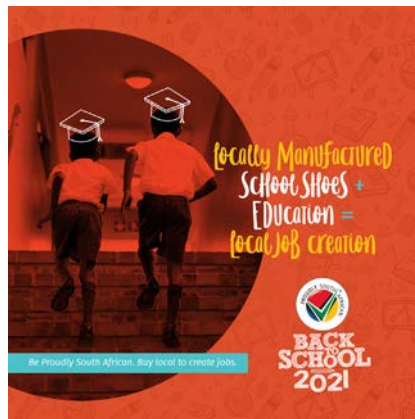






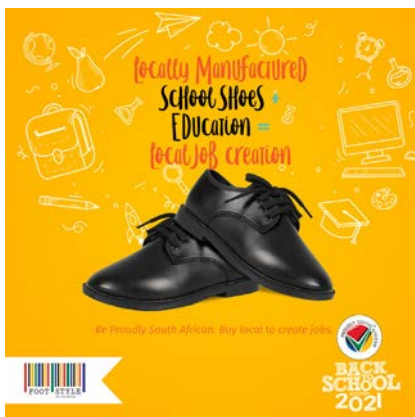
## Festive Season Campaign

the festive season messaging was designed around informing consumers to buy local to create jobs. The messaging was leveraged from the Game Time tv commercial encouraging consumers to continue supporting local. Economic recovery – the ‘second half’ depends on us all supporting local. This was done parallel to the festive season competition to increase engagement with the festive season campaign.



## Back to school campaign

as part of our partnership with SAFLEC, FLIC & footwear manufacturers, we ran a back to school campaign in which we encouraged consumers to support the local leather footwear industry specifically in buying school shoes. As children prepare for the next academic year, we urged parents to buy from local manufactures.



## Covid Messaging

we ran generic messaging to encourage the public to follow the Covid-19 regulations in order to help curb the rise in infections. As a high profile public campaign, it is part of our role to inform people about protocols that must be followed at all times.



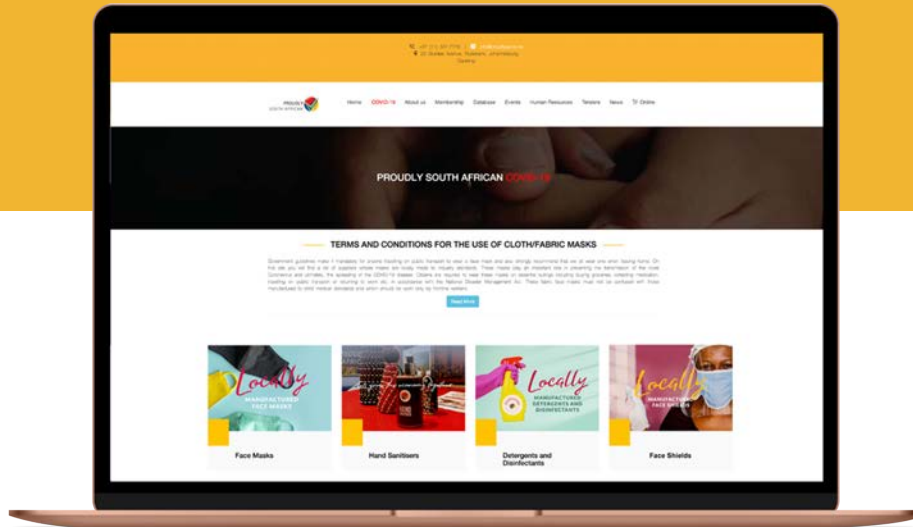
## L- board TVC

we ran a tv campaign with Newzroom Afrika, eNCA, eTV and SABC with the messaging for the festive season. The above the line campaign was aimed at reaching a large number of consumers who watch peak hour news and popular daily shows. We subsequently ran another campaign on the same platforms on the back to school campaign with the same intentions to increase awareness and direct sales to the sector.

We also assisted in below the line activities where we worked on various presentations for the campaign, invitations for webinars, e-cards for our Instagram Local Friday conversations, amongst other design related material needed to showcase the campaign.

As we wrapped up the year that has been affected by COVID we have used this period to promote our logo and messaging online and allow consumers and business the opportunity to learn more about the campaign and to grow our brand recognition. Only by making more consumers aware of the importance of buying local, will we be able to turn the unemployment corner.

## PROUDLY SA'S COVID-19 PORTALS



Proudly SA partnered the Department of Trade, Industry and Competition (the dtic), the South African Clothing and Textile Workers Union (SACTWU), the Bargaining Council for the Clothing Manufacturing Industry and the Manufacturing Circle to roll out various portals to meet demand for locally-made PPEs in the pandemic.

The COVID-19 portals have been well-received by stakeholders both within the public and private sectors, as well as consumers wishing to procure PPE for everyday use. These portals comprise a comprehensive list of local manufacturers of PPE for general public use including face shields/visors, face cloth masks, sanitisers, disinfectants and detergents. The locally-manufactured products have been vetted in accordance with industry standards as determined by the regulators, and in accordance with the specifications of the public sector. In essence, Proudly South African is reaching out to the Procurement Officers from all spheres of society utilising its membership base, stakeholders in the Localisation Technical Working Committee namely, the Manufacturing Circle, the National Business Initiative (NBI), Business Leadership South Africa (BLSA), Consumer Goods Council of South Africa (CGCSA), and Business Unity South Africa (BUSA); as well as association and industry bodies, Labour Unions, businesses that form part of the township economy, Government Departments including the Department of Small Business Development and the dtic through its sector desks, Provincial Government, Local Municipalities, State-owned Enterprises, etc.

Individuals interested in procuring PPE will have access to the company name, the contact person, the company's location, website and contact details, including an image of the product offering as well as a detailed description. Not only do these portals serve as

a marketplace for local manufacturers of PPE, they are also indicative of the availability of PPE more broadly in the country. It also gives a sense of companies' endeavours to repurpose their business in order to remain in operation. The portals provide Procurement Officers the option to procure locally-made products from manufacturers directly, with Proudly South African's connection being synonymous with quality.

Given the immense success of the PPEs for everyday use, Proudly SA has developed portals for PPEs used in clinical settings including disposable/plastic aprons, disposable/isolation gowns, surgical masks, FFP2 respirators, SAHPRA-licensed sanitisers and non-sterile examination, or sterile and non-sterile surgical gloves. that have been vetted by Business for South Africa in accordance with the National department of Health and SAHPRA/NRCS specifications.

Partners include procurement officers from the Department of Health, nationally and provincially and Corporate South Africa including Proudly SA's large member companies, apex organisations Business Unity South Africa and the Black Business Council and their members; association and industry bodies and their members including Business Leadership South Africa, the Manufacturing Circle, the Johannesburg Stock Exchange, the Franchise Association of South Africa, Consumer Goods Council of South Africa (to access the retailers and fast-moving consumer goods manufacturers), National Association of Automotive Component and Allied Manufacturers and many more. Consumers were also targeted as the portals are promoted on various social media platforms, through print and broadcast media including the SABC (radio, television and digital platforms), e.tv and MultiChoice.

# BUSINESS FOR SOUTH AFRICA

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In support of Business Unity South Africa's initiative Business for South Africa convened to address the challenges facing the Health sector, Proudly South African has given support by joining the governing committee of the local manufacturing arm of the initiative.

The governing committee comprises representatives from all spheres of society including, government through the dtic including the Minister's Chief Advisor, the Department of Science and Technology; national development finance institution, the Industrial Development Corporation of South Africa; the online resource for trade and industrial policy research, Trade and Industrial Policy Strategies (TIPS); business through The Manufacturing Circle, Black Business Council, experts in Health, and the National Association of Automotive Component and Allied Manufacturers; labour through the Congress of South African Trade Unions, the Southern Africa Clothing and Textile Workers' Union and National Union of Leather and Allied Workers; social partners including Proudly South African; private financial institutions, and members of the legal fraternity.

To ensure that local manufacturing remains the core focus of the initiative, Proudly South African joined each Personal Protective Equipment (PPE) workstream including face shields/visors, PPE textiles including FFP2 respirators and surgical masks, gowns, aprons etc., gloves, ventilators, test kits, and sanitisers/disinfectants as the organisation leading the latter workstream. The workstreams have been established to close the gap between the supply of locally-manufactured PPEs and demand, and to assist companies to become procurement-ready.

In order to complement the work of the Procure-

ment arm of the initiative, and to further drive localisation by supporting local manufacturers, Proudly SA has offered to host the content of the Business for South Africa procurement platform on the Proudly SA website. This platform provides insights into the state of local manufacturing of PPE in the country, matched with projected demand data made available by the dtic as well as other reputable sources. Proudly SA has also committed to listing government and private sector tenders/RFQs alongside product specifications, and a list of local manufacturers provided product is manufactured locally, complies with industry specifications and standards, is tested, certified and/or licensed with the relevant regulators or verification bodies. The platform will complement Proudly SA's COVID-19 portals. The PPE portals for products utilised in clinical settings have been developed and will be launched in quarter 4. Initially, the following products will be included namely disposable/plastic aprons, disposable/isolation gowns, surgical masks, FFP2 respirators, SAHPRA-licensed sanitisers and non-sterile examination, or sterile and non-sterile surgical gloves.

Through the Proudly SA tender monitoring function, Proudly SA reports to the governance committee as well as the workstreams on PPE tenders/RFQs issued by government on a weekly basis. This report assists the dtic and labour to lobby the support of local manufacturers through the work of the Business for South Africa workstreams, and the workstreams to track government's demand of the much-needed product.

In the first quarter, Proudly SA's tender monitoring function picked up 646 PPE tenders/RFQs, up from the previous quarter at 225.

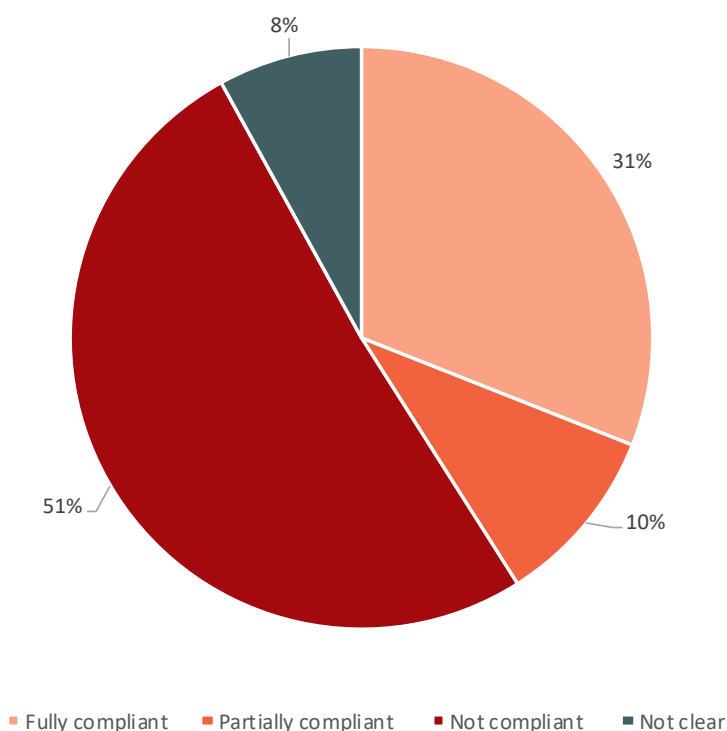
## PROUDLY SA'S TENDER MONITORING FUNCTION

To support the efforts to drive stricter adherence to local procurement legislation (within the public sector), Proudly SA has launched the Tender Monitoring Function in April 2017 which now searches through over 813 government and SOE websites for tenders that are required to stipulate an element of local procurement. As part of Proudly SA's value proposition for members, they are matched with companies that are able to fulfil the tenders and are flagged and sent to the dtic to monitor compliance.

Proudly SA assists the dtic in categorising tenders in terms of their compliance to local content specifications, whether they are fully compliant, not compliant or whether the local content is unclear. Through the Proudly SA tender monitoring function, the dtic's industrial procurement unit directly addresses non-compliance of tenders/RFQs issued by the entities of government.

BIDS IDENTIFIED IN DESIGNATED SECTORS		
	Previous period 2020/2021 Q1	Current period 2020/2021 Q2
<b>Total bids identified</b>	<b>91</b>	<b>324</b>
Fully compliant	38 (42%)	99 (31%)
Partially compliant	16 (18%)	33 (10%)
Not compliant	34 (37%)	165 (51%)
Not clear	3 (3%)	27 (8%)

2020/2021 Q2  
COMPLIANCE LEVELS FOR BIDS FOLLOWED UP FROM  
JULY TO SEPTEMBER 2020



# SARS INDUSTRY STAKEHOLDER FORUMS

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

Proudly SA was invited to participate in all SARS' stakeholder forums each quarter for the following industries: alcohol, beverage, poultry, tyres, plastics, scrap metal, downstream steel, sugar, tobacco, petrol and the newly-established forum for furniture.

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

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

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

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

## PERFORMANCE FOR THE PERIOD UNDER REVIEW

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

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	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 10 million consumers during Quarter 3	*Reached in excess of 10 million consumers through a massive Festive Season / Back To School campaign utilizing the 4 broadcast platforms (SABC, eTV, eNCA, Newzroom Afrika)	
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 3 Activations hosted annually  *12 x Community and/or youth targeted Radio interviews/ competitions or advertising campaigns per annum	*Reach 4 million consumers during Quarter 3  *2 activations planned for Quarter 3  *3 Campaigns with radio stations planned per quarter	*Reached in excess of 4 million consumers through PR driven activities (TV and Radio interviews, incl. re-broadcasts), and opinion pieces, social media, digital platforms, radio and member platforms  *Did not materialize.  *8 community radio station interviews were conducted. Refer to Section 4.5.1 in the PR Section for a full list	Due to COVID-19 restrictions

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
	<p>*Consumer education campaigns hosted in tertiary institutions (in partnership with Wear SA)</p> <p>*Proudly SA Events/Exhibitions/Expos/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>*8x campus consumer education activations at tertiary institutions (converted to Campus Radio interviews)</p> <p>*Participation in at least 0 trade expos per annum;</p> <p>*Roll out of at least 1 Heritage month activity per annum</p> <p>*At least 1 CSI projects per annum</p>	<p>*2 campus consumer education activations per quarter</p> <p>* No participation in any trade expos planned for the year</p> <p>*Proudly SA Heritage month activities planned for Q2 only</p> <p>* one (1) CSI activity planned for Q3</p>	<p>*Activations not undertaken</p> <p>*N/A</p> <p>*N/A</p> <p>* Did not materialize.</p>	<p>*Due COVID-19 restrictions</p> <p>*Due COVID-19 restrictions</p>
<p>Increase procurement of local products and services in the public sector through increased engagements with the public sector.</p>	<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 dtic, 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 &amp; local government departments and to monitor procurement within the public sector</p> <p>*National, provincial and local departments visits – engagement with procurement officers</p>	<p>*At least 1 presentation to SOEPF per annum</p> <p>*Presentation at 1 government's SCM forum with Heads of various national government departments</p> <p>* At least 1 digital Provincial Public Sector forum per annum</p>	<p>*1 presentation planned for Q3</p> <p>*One presentation planned for Q3</p> <p>* One Provincial Public Sector forum planned for Q3</p>	<p>* Did not host the meeting as planned but made inputs at SOEPF meeting</p> <p>* Presented at the Technical MinMEC from all 9 provinces were present.</p> <p>* None hosted</p>	<p>*Covid-19 regulations resulted in a virtual meeting and not a physical one</p> <p>The Technical MinMEC is to be followed by virtual forums with each of the provinces during Q4</p> <p>* Letters sent to all provincial MECs and forums to host during Q4</p>



Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
	* Presentation to officials in metropolitan councils – engage with local government on localisation	* Presentation to at least 0 metropolitan council procurement forums per annum	* No presentation planned for the year	* Did not materialize.	
	* Tender Monitoring – Number of tenders/RFPs identified by Proudly SA's system, issued for designated sectors/products by public sector entities	* At least 1 200 tenders/RFPs for designated sectors/products identified through the tender monitoring system per annum	* 300 Tenders/RFPs	* 2 397 Tenders identified.	
	* CSD Integration – an integration of the Proudly SA database with National Treasury's CSD (Number of Proudly SA companies integrated with CSD)	* Launch of integration of CSD with Proudly SA database, with at least 100 companies registered in Year 1 (2020/21)	* 25 Proudly SA companies to be integrated with CSD per quarter	* No member companies have been integrated with CSD to date	* Development work is required in order for both the CSD and Proudly SA systems to synchronise. Once completed, a MoU will be finalised in Q4
	* 1-2 x day Buy Local Summit – focusing on all state organs and business procurement	* At least 1 Buy Local Summit to be held per annum (virtual or otherwise)	* Buy Local Summit planned for Q4	* N/A	
	* 1-2 x Day Buy Local Expo – of all SA companies focusing on the priority Sectors - SCC – "Made in SA" Expo	* At least 1 Buy Local Expo to be held per annum (virtual or otherwise)	* Buy Local Expo planned for Q4	* N/A	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
Increase procurement of local products and services in the private sector through engagements with Business (incl. BUSA, BBC and BLSA	<p><b>National Educational road shows:</b> Increased buy-in and support for local procurement by the <b>private sector</b>. 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 8 business chambers, associations and/or industry events per annum</p> <p>* Partnerships with at least 2 <b>major retailers/manufacturers</b> per annum;</p>	<p>* 1 presentation planned with any of the targeted organizations for Q3</p> <p>* 2 presentations planned for each quarter</p> <p>* 1 partnership planned for Q3</p>	<p>* Proudly SA is a part of a localisation technical working committee (meeting every week) established in Q4 of 2019/2020 whereby collaborative efforts &amp; focus on local procurement are underway with BUSA (including B4SA), Manufacturing Circle, BLSA, NBI &amp; BBC. Hosted a webinar where Minister Patel delivered the keynote address to members of all above mentioned organisations.</p> <p>* Presented to the South African Petroleum Industry Association, Agbiz, and Banking Association of South Africa</p> <p>* 4 in total, Bravo Group, KAP, Chem Group and Noko Milling</p> <p>* N/A</p>	
		<p>*At least 1 Buy Local Summit to be held per annum (virtual or otherwise)</p>	<p>* Buy Local Summit scheduled for Q4 (March '21)</p>		

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
	1-2 x day Buy Local Expo – of all SA companies focusing on the priority Sectors - SCC – “Made in SA” Expo	*At least 1 Buy Local Expo to be held per annum (virtual or otherwise)	* Buy Local Expo scheduled for Q4 (March '21)		
	*Sector Specific Workshops	* 2 x sector specific forums per annum	* 1 sector specific forum scheduled for Q3	*Did not materialize	Plastics forum and PPE forums postponed. At least one to be hosted during Q4
	*Business Forums with dtic and other strategic partners	*9 business forums per annum	* 3 virtual business forums scheduled for Q3	* 4 virtual business forums took place: *Brand Relevance *Technological Solutions to your business. *Localization Rebuilding your team after a crisis	
	*Proudly SA Events/ Exhibitions/ Expo's/ Villages at trade expos	* Participation in at least 0 major trade expos per annum	* No trade expos scheduled for the year	*N/A	
	*SA Premier Business Awards aimed at rewarding SA companies that achieve high levels of excellence in the course of doing business	* Co-hosting 1X annual SA Premier Business Awards event (as a partner to the dtic)	* Awards scheduled for Q4	*N/A	
	Soliciting and securing of localisation and/or local procurement commitments from the private sector – number of sectors and companies from which commitments are secured.	*Secure an industry commitment from at least one major sector per annum	* 1 industry commitment planned for Q3	*No industry commitment secured.	*Initial engagements held with SAPIA, Agbiz and BASA - to be finalised during Q4
		*Secure new localisation commitments from at least 5 major corporates per annum	* 2 new localisation commitments from major corporates planned for Q3	* A webinar to introduce the Market Access Platform was presented to the members of BLSA, NBI, BUSA, BBC with Minister Patel delivering the keynote address. All major retailers that form part of the CGCSA have committed to localise 15 products on their shelves.	*Initial engagements held with SAPIA, Agbiz and BASA – commitments with their corporate members to be finalised during Q4

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
	Implementation of Import Replacement in key industries/products as per the highest imported items into the country, by value	<p>*Development of database of buyers and/or SCM officers for purposes of hosting at least one local procurement workshop</p> <p>*Implementation of Import Replacement in at least one key industry/product per annum</p>	<p>*No local procurement workshop planned to present the developed database of buyers and/or SCM officers</p> <p>*No import replacement implementation in any key industry/product planned for Q3</p>	<p>*N/A</p> <p>*All major FMCG retailers that form part of the CGCSA have committed to localise 15 products on their shelves.</p>	
Brand Management Brand research - Development of a scientific basis for local procurement	Existence of an Economic Impact Study to contribute to the increase in the uptake of local products and services and procurement by the public sector, private sector and consumers; Bi-annual research, qualitative and quantitative research results as well as event or campaign dipstick surveys outcomes;	<p>*Brand or Consumer Research to be undertaken at least once per annum</p> <p>*At least 9 x Dipstick surveys per annum conducted at Proudly SA events and exhibitions/consumer outreach campaigns and via the website</p>	<p>*A consumer research study planned for Q2</p> <p>*3 dipstick surveys planned for Q3</p>	<p>*N/A</p> <p>*4 dipstick surveys were conducted.</p> <p>*Brand relevance</p> <p>*Technological solutions for your business.</p> <p>*Localization – keeping it close to home.</p> <p>*Rebuilding your team after a pandemic crisis.</p>	
Brand Compliance and IP. Effective management of Proudly SA intellectual property	Percentage of successfully executed letters of demand and court actions against identified transgressors	<p>*Action/letters of demand to all (100%) irregular users of the Proudly SA logo identified</p> <p>*Annual compliance review of all members</p> <p>*Monthly monitoring with Adams &amp; Adams of companies that are using the Phrase and logo illegally</p>	<p>*100% of all identified illegal users sent letters</p> <p>*100% (All) members checked for compliance</p> <p>*Monitoring of the use of logo and phrase done illegally – 100% contact with all identified companies</p>	<p>*All identified irregular users were sent letters – 100%</p> <p>*All members contacted as part of the new and renewals membership compliance process – 100%</p> <p>*Monitoring done by Adams and Adams monthly – 100%</p>	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
Partnership with enforcement agencies	<p>*To prevent illegal imports, counterfeit products, dumping of unsafe products and under invoiced products through Below and Above the line Anti-piracy and illicit trading campaigns reaching 2 million people per annum;</p> <p>*Develop partnerships with Intergovernmental State enforcement Agencies, i.e. SARS, CIPC, Customs, SAPS, Hawks, Brand SA and – multi disciplinary process with key stakeholders</p>	<p>*Participation in at least 24 Customs &amp; Excise industry stakeholder forums and national operations per annum hosted by SARS</p>	<p>*Participation in 6 Customs &amp; Excise industry stakeholder forums planned per quarter</p>	<p>*Participated in 11 industry stakeholder forums including sugar, tobacco, plastics, downstream steel, tyre, scrap metal, beverage, footwear and leather, alcohol, furniture, clothing and textiles.</p>	
Growing the database of South African supplier products and services for local procurement	<p>*Grow the number of companies registering on the database.</p>	<p>*500 new products and/or services registered</p>	<p>*125 new products and/or services registered per quarter</p>	<p>*1 521 new products and/or services registered</p>	
*Official Database for Local Products and Services to be utilized by all South Africans and all Government entities when procuring designated and local products	<p>*Promotion of database to both the public and private sector through workshops / regular communique (this will include the promotion of other SA Made Products as per the designated sectors). Measured in terms of how many public institutions reached that are using the database.</p>	<p>*Promotion of database to at least 0 provincial public-sector forums</p>	<p>*No provincial public-sector forums planned for the year</p>	<p>*N/A</p>	
		<p>*Promotion of database to at least 9 provincial business forums</p>	<p>*3 provincial business forums planned for Q3</p>	<p>*The database was presented at the 3 virtual business forums namely *Brand Relevance *Technological Solutions to your business. *Localization</p>	
		<p>*Promotion of database to at least 8 business associations or chambers</p>	<p>*2 workshops with business associations or chambers planned per quarter</p>	<p>*Presented to the South African Petroleum Industry Association, Agbiz, and Banking Association South Africa</p>	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
Strengthening <b>Media relations, PR and social media</b>	*Daily, weekly, monthly monitoring of media coverage on the campaign and analysis thereof	<p><b>*Media Monitoring</b> Regular monitoring of media reports coverage on Proudly SA, its members and other key stakeholders</p>	*100% of Daily monitoring through Newsclip of all coverage on Proudly SA	*Achieved as per report under PR report section.	
	*Number of published press releases prepared per month (Regular communication in print media aimed at members, media, government departments, consumers and other stakeholders)	<p><b>*Press releases</b> At least 36 press releases per annum</p>	*9 press releases issued per quarter	*19 Press releases issued. Please refer to section 4.5.4 of PR report	
	*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 <b>media breakfasts/lunches &amp; media meetings hosted by the CEO, Chairperson, board or the PR Manager</b>	<p><b>*Media engagement</b> *At least 40x individual media engagements per annum</p>	*10 media/editor's meetings per quarter	*12 online media engagements took place. Please refer to Section 4.5.5 of PR report	
		* At least 3 x Media meet & greet networking sessions per annum	*1 media meet & greet networking session planned for Q3	*Not achieved.	Due to COVID19 restrictions
	* Daily communication on Twitter, Facebook and Instagram. Increased activities during campaigns	* Social Media activities daily	* Daily updates on Twitter, Facebook and Instagram done	* 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 175,944 followers and Facebook has more than 24,147 followers & Instagram has more than 6040 followers	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
	* Increase following on social media platforms and increase in publicity	* Increase following on all social media platforms by 2% per annum	Increase following on all social media platforms by 2% per quarter	* 3.13% average increase in following across all social media platforms	
	* Major PR activation to increase awareness about the campaign and the "Buy Local" campaign	* Valentine's Day activation 1 per year on Valentine's day	* This activation is scheduled to take place during Q4 (Feb '21)	* N/A	
Retention and Recruitment Members	Number of members recruited and retained	* Recruit at least 220 new members for the year  * Retain at least 70% of all members due for renewal for the year	* 55 new members recruited during the quarter  * 70% of all members due for renewal renewed membership	* 63 new fully paid up members recruited  * 88% of all members due for renewal, renewed their membership	

Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
Financial Management: Proper processing of all financial transactions on SAP and maintenance of records and supporting documents for audit purposes in compliance with relevant standards	Percentage of processing of all financial transactions done accurately and correctly at all times	100% accurate and correct processing of all financial transactions - unqualified opinion and clean audit reports for 2018/19 financial year end audit – Annual Financial Statements	*100% accurate and correct processing of all financial transactions during each quarter	*All financial transactions correctly and accurately processed during Q3	
Risk Management	Approved annual strategic risk register and quarterly risk management reports	100% compliance	100% compliance	Risk Register finalized and updated for the quarter	
*Improvement of accessibility and uptake of locally made products (Official online shopping platform for Local Products, to be utilized by all online shoppers in SA and abroad wishing to buy locally made products)	* Grow the number of products registered on the online shopping platform (RSA Made) – percentage growth annually	* 20 % growth in number of products and/or services registered on the platform per annum	5% growth per quarter	* 2,3% decrease quarter on quarter (250 new products loaded in Q3 v/s 256 in Q2)	
	*Growth in sales of products on the online shopping platform (RSA Made)	*50% growth in sales on the RSA Made platform year on year	12.5% growth per quarter.	*603% growth quarter on quarter	
Human Resources Management: Organisational structure is always aligned to organisational strategy	Extent (Percentage) of alignment of the functional organogram with the approved strategy	*Organogram with positions informed by the organisational strategy and aligned completely	*100% alignment of organogram to the strategy in every quarter	*Organogram fully aligned (100%) to the strategy	



Strategic objective/outcome					
Output	Performance Measure or Indicator	Annual Target	Quarterly Milestone (Q3 target)	Actual Achievement (Q3)	Reason for Variance
	* 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	HR and Support Manager
Performance Management	Performance management system to set and evaluate performance targets and levels every 4 months	Performance Agreements signed and all personnel assessed every 4 months during a 12-months Performance Cycle that runs from August 2019 to July 2020. Performance across all departments is not lesser than 70%	100% compliance	100% of agreements signed and 80% of appraisals due completed.	The balance of the performance appraisals scheduled for Jan/Feb 2021 (Q4)
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	Substantial compliance	All SARS EMP201 and 501 reports submitted. Return of earnings for period ending June 2020 was not submitted. In the process of submitting the same.

## PFMA AND TREASURY REGULATIONS CHECKLIST

Corporate Management

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

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	27.1.8		<p>Does the audit committee review the following:</p> <ul style="list-style-type: none"> <li>• The effectiveness of internal control systems;</li> <li>• The effectiveness of internal audit;</li> <li>• The risk areas of the entity's operations to be covered in the scope of internal and external audits</li> <li>• The adequacy, reliability and accuracy of financial information provided to management and other users of such information</li> <li>• Any accounting and auditing concerns identified as a result of internal and external audits</li> <li>• The entity's compliance with legal and regulatory provisions</li> <li>• The activities of the internal audit function, including its annual work programme, co-ordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations; and</li> <li>• Where relevant, the independence and objectivity of the external auditors.</li> </ul>	<p style="text-align: center;">X X X X X X X</p>		N/A	<p>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</p>
	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"> <li>Are risk assessments conducted regularly to identify the public entity's emerging risks?</li> <li>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?</li> <li>If there is a risk management strategy, is it communicated to all employees?</li> </ul>	X			<ul style="list-style-type: none"> <li>Risk Assessment is done annually and the Risk Register is updated annually and reviewed quarterly</li> <li>The company has a Risk Management Strategy and this informs the Risk Management Register. There is an approved Fraud prevention plan and Whistleblowing policy</li> <li>All staff participate in the organisational Risk Management workshops</li> </ul>
	TR 27.2.5		Are the purpose, authority and responsibility of the internal audit function defined in an audit charter?	X			The purpose, authority and responsibility of Internal Audit is contained in the Internal Audit charter
	TR 27.2.6		Is internal audit conducted in accordance with standards set by the Institute of Internal Auditors?	X			Internal Audit is conducted in accordance with required standards, and this is checked when the internal auditors are appointed
	TR 27.2.7		Has the internal audit function prepared a three-year strategic internal audit plan based on the risks facing the public entity?  Does the internal audit function report to the audit committee detailing its performance against the plan?	X			The Internal Audit plan approved by the Audit committee is a rolling 3-year plan  All internal audit reports are tabled at the Audit Committee and the Auditor's report to the committee on all their work, including tabling their quarterly progress against the approved audit plan
	TR 27.2.10		Does the internal audit function evaluate the following: <ul style="list-style-type: none"> <li>The information systems environment;</li> <li>The reliability and integrity of financial and operational information;</li> <li>The effectiveness of operations;</li> <li>Safeguarding of assets; and</li> <li>Compliance with laws, regulations and controls</li> </ul>	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"> <li>• Contravened or failed to comply with a provision of the PFMA</li> <li>• Committed an act which undermined the financial management and internal control system of the public entity</li> <li>• Made or permitted irregular or fruitless and wasteful expenditure</li> </ul>		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"> <li>• The outcome of any disciplinary hearings and/or criminal charges;</li> <li>• The names and ranks of employees involved; and</li> <li>• The sanctions and any further actions taken against these employees.</li> </ul>			X	The reports on any disciplinary hearings held are reported to the Accounting Authority through the relevant subcommittee (HR and Remunerations Committee).

PFMA for Public Entities: Planning and Budgeting

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

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 29.2.		Does the public entity conclude a shareholder's compact with the executive authority on an annual basis?  If yes, does the shareholders compact document the mandated key performance measures and indicators to be attained as agreed between the accounting authority and the executive authority?	X  X			A memorandum of Association (MoA) has been concluded and signed with the dtic  The draft MoA does detail the key performance measures and the indicators to be attained
2.	53(1)	Annual budgets by non-business Schedule 3 public entities	Did the accounting authority submit a budget to the executive authority for his or her approval at least six months prior to the start of the financial year of the department designated by the executive authority?  Was the budget submitted to the executive authority via the accounting officer of the department designated by the executive authority?	X  X			Specific to Schedule 3 non-business entities, however Proudly SA does submit its budget to the dtic as required as per the MoA  Specific to Schedule 3 non-business entities and not applicable to Proudly SA, however Proudly SA does submit its budget to the dtic as per the MoA
	53(3)		Did the public entity budget for a deficit or accumulate a surplus without approval of the National Treasury?		X		Specific to Schedule 3 non-business entities and not applicable to Proudly SA however, Proudly SA does not budget for a deficit
	TR 30.1.1		Did the accounting authority submit a proposed strategic plan to the executive authority for his or her approval at least six months before the start of the financial year of the department designated by the executive authority?  Was the final strategic plan submitted to the executive authority before 1 April?			X	Specific to Schedule 3 non-business entities and not applicable to Proudly SA, however a strategic plan was submitted as per the MoA  Final strategic plan submitted as per requirements contained in the MoA
	TR 30.1.2					X	

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



**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			<p>A written assurance is submitted to the effect in the form of a letter confirming compliance with Section 38(1)(j) of the PFMA on a quarterly basis</p>
	51(1)		<p>Does the public entity:</p> <ul style="list-style-type: none"> <li>• have an appropriate procurement and provisioning administration system, which is fair, equitable, transparent, competitive and cost-effective?</li> <li>• have a system for properly evaluating all major capital projects prior to a final decision on the project?</li> <li>• collect all revenue due?</li> <li>• Have mechanisms in place to prevent irregular and fruitless and wasteful expenditure?</li> <li>• Manage available working capital efficiently and economically?</li> </ul>	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 substantial 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> <p>The terms and conditions on which the money was borrowed?</p> <ul style="list-style-type: none"> <li>Information on proposed domestic borrowing;</li> <li>Information on proposed foreign borrowing (national entities)</li> <li>Short and long term borrowing;</li> <li>Borrowing in relation to a pre-approved corporate plan</li> <li>The maturity profile of the debt;</li> <li>The confirmation of compliance with existing and proposed loan covenants;</li> <li>Debts guaranteed by the government;</li> <li>Motivations for government guarantees, if required; and</li> <li>The executive authority's approval of the borrowing programme, if required by the legislation in terms of which the entity was established.</li> </ul>			X	Proudly SA is not a Schedule 2, 3B or 3D entity and does not borrow any funds
	TR 32.1.1		<p>Did the public entity borrow money for bridging purposes? If yes:</p> <ul style="list-style-type: none"> <li>Was approval obtained from the Minister of Finance?</li> <li>Was the debt repaid within 30 days from the end of the financial year?</li> </ul>		X		No money borrowed by the campaign for any purposes, including for bridging purposes

**PFMA for Public Entities: Reporting**

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	TR 26.1.1	Quarterly Reporting	Does the public entity submit information on its actual and projected revenue and expenditure to the designated accounting officer within 30 days from the end of each quarter? (Schedule 3A and 3C entities)	X			Proudly SA is not a Schedule 3A or 3C entity, but does submit quarterly reports with the required information to the dtic as per the MoA (30 days from the end of each quarter)
	TR 26.1.2		Does the public entity report quarterly to the executive authority (via the designated accounting officer) on the extent of compliance with the PFMA and Treasury Regulations? (Schedule 3A and 3C public entities)	X			Proudly SA is not a Schedule 3A or 3C entity, but does submit quarterly reports with the required information to the dtic
	TR 29.3.1 TR 30.2.1		Has the public entity established procedures to report quarterly to the executive authority in relation to progress made against achieving the targets set out in the strategic and corporate plan?	X			Proudly SA is required in the MoA to submit quarterly reports to the dtic, as per the template provided. The quarterly report sets out the progress made against achieving the set targets as contained in the APP
2.	55	Annual report and financial statements	Did the public entity submit the following to the relevant treasury, executive authority and Auditor-General within 5 months from the end of the financial year: <ul style="list-style-type: none"> <li>An annual report on the activities of the public entity during that financial year;</li> <li>The financial statements for that financial year after the statements have been audited;</li> <li>The report of the auditors on those statements.</li> </ul>	X  X  X			The Annual Report, Annual Financial Statements and the Auditors report on the financial statements, are all submitted to the dtic on time, as required in the MoA (deadlines were extended for the 2019/20 financial year in terms of a Government Gazette issued by the Minister of Finance)

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"> <li>Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</li> <li>Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</li> <li>Any losses recovered or written off;</li> <li>Any financial assistance received from the state and commitments made by the state on its behalf;</li> <li>The financial statements of subsidiaries.</li> </ul>	X			The Annual Report and Annual Financial Statements fairly presents the information referred to herein
	65		<p>Did the executive authority table the annual report and financial statements within one month after the accounting authority received the audit report?</p> <p>If no, did the executive authority table an explanation in the Legislature setting out the reasons why the annual report and financial statements were not tabled?</p> <p>Does the annual report contain a disclosure to the effect that the audit committee has adopted a formal terms of reference</p>	X		X	<p>The Executive Authority is not obliged to table this as Proudly SA is not a public entity, however the Annual report is submitted to the dtic to enable the Minister to table this if the need arises</p>
	TR 27.1.7			X			This disclosure was included in the Governance section in the Annual Report as the audit committee has an approved set of Terms of references
	TR 27.1.10		Did the audit committee comment on its evaluation of the public entity's financial statements?	X			The Audit committee does comment on the public entity's financial statements in the AFS contained in the Annual Report

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 28.1.1		Does the financial statement include a report by the accounting authority that discloses the emoluments of all directors and executive members of the public entity and its subsidiaries?	X			
	TR 28.1.2		<p>If yes, to above, does the disclosure include?</p> <ul style="list-style-type: none"> <li>• Fees for services as a director or executive member;</li> <li>• Basic salary;</li> <li>• Bonuses and performance related payments;</li> <li>• Sums paid by way of expense allowances;</li> <li>• Contributions made to any pension fund, medical aid, insurance scheme, etc.;</li> <li>• Any commission, gain or profit sharing arrangements;</li> <li>• Any share options, including their strike price and period; and</li> <li>• Any other material benefits received.</li> </ul>	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"> <li>• Collecting and banking revenue promptly</li> <li>• 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;</li> <li>• Avoiding prepayments for goods and services unless required by the contractual arrangements with the supplier;</li> <li>• Accepting discounts to effect early settlement;</li> <li>• Pursuing debtors with appropriate sensitivity and vigor to ensure that amounts receivable by the public entity are collected and banked promptly;</li> <li>• Accurately forecasting the public entity's cash flow requirements;</li> <li>• Timing the in and out flow of cash;</li> <li>• Recognizing the time value of money, i.e. economically, efficiently, and effectively managing cash;</li> </ul>	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"> <li>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;</li> <li>Performing bank reconciliations at least weekly;</li> <li>Making regular cash forecasts; and</li> <li>Alignment of the approved budget with monthly cash flows;</li> <li>Variance analyses of actual cash flow with the approved budget</li> </ul>	X  X X X X			
2.	TR 31.2.1	Banking	Does the public entity submit a list of all its banking accounts to the National Treasury by 31 May of each year?			X	The campaign submits its list of bank accounts to the dtic as per the MoA
3.	TR 31.3.1 TR 31.3.2	Investment	Does the public entity have an investment policy?  If yes to the above, does the investment policy include the: <ul style="list-style-type: none"> <li>selection of counter-parties through credit risk analyses;</li> <li>establishment of investment limits per institution;</li> <li>establishment of investment limits per investment instrument;</li> <li>monitoring of investments against limits;</li> <li>reassessment of investment policies on a regular basis;</li> <li>reassessment of counter-party credit risk based on credit ratings; and</li> <li>reassessment of investment instruments based on liquidity requirements.</li> </ul>			X	The Proudly SA campaign does not have enough long-term cash reserves to enable it to invest. Any surplus funds are placed in Call accounts with the highest rate of returns, as negotiated with the banking institution where the funds are kept.

## PROGRESS ON ACTIONS IN THE RISK REGISTER -31 DECEMBER 2020

Strategic Objective(s) affected	High level definition	Contributory Factor (s)		Consequence(s)	Inherent Risk Rating	Existing Controls	Residual Risk Rating	STRATEGIC RISK REGISTER		Due Date	
		Ref	Detailed Risk Description					Risk Owner	Treatment Owner		
Sustainability of the campaign	Over-dependence on single funding source	1	A significant portion of revenue generated by Proudly South African is from the annual grant received from the Department of Trade and Industry (DTI), this poses a risk as there is no diverse income streams and thus reliance is placed on a single funder.	Effect(s) or impact If the DTIC were to decrease or stop funding Proudly South African altogether, this would pose business continuity risk and going concern risk and would significantly hamper the entity's ability to achieve its strategic objectives.	12	There is an existing agreement with the DTIC and an MTEF budget allocation for the next three years. Proudly South African Board has built relationships with both the political and administrative officials of the DTIC in order to cement the inflow of funding. Strict meeting of deliverables in the MoU by Proudly SA	12	Initiatives or planned strategies to enhance control adequacy Benchmark Proudly South African against other similar organisations in key international markets (Proudly South African could partner with KPMG and request for pro-bono work and research in these markets. Proudly South African could also seek assistance from BrandSA and use their work and studies). Proudly South African should greatly explore other funding sources within the Public Sector (e.g. agencies) Diversification of income streams (membership fees and partnerships/sponsorships)	Person executing planned activities CEO/CFO/CMO/Strategy Exec	31-Mar-21	
Educate consumers on the importance of buying local (local Procurement Accord) and on country of origin labels – influencing 'buy local' purchase behaviour	Resistance to change in buying behaviour	2	One of the key pillars of Proudly South African is to ensure that there is an increase in local production and sales of locally made products. In achieving this, the end users play a critical role as a total change in mindsets is required in order to alter the buying behaviour.	This would result in Proudly South African not achieving the impact desired.	16	Public Sector: - Tender Monitoring system Public Sector Road shows Private Sector: - Participation at expos - Buy-local logo - Import replacement - Localisation commitments Retailers Roadshow (RMCC) Consumer Education Campaigns	12	Inclusion of AG in the local procurement road shows targeting public sector procurement officials SOEPF localisation programmes Integration with CSD Private Sector Source and grow Local procurement Commitments Intensity road shows targeting purchasing decision makers and Captains of Industry Grow membership of the campaign and base of localisation driven companies Consumers Drive end-user demand through Masterplans (various) Intensity labour programme (Shop-stewards involvement) Broaden the base of friends of the campaign	CEO	CEO	31-Mar-21
Recruitment and Retention of Members	Lack of high value members especially with retailers & manufacturers	3	Insufficient products available to consumers at point of sale.	The relevance of the campaign might be affected negatively amongst consumers - message lost. Lost opportunity, which might not be easy to be regained which will result in Proudly South African not achieving the impact it desired.	16	Improve value proposition to attract high value members especially with retailers & manufacturers.	12	Roll out sector/industry specific strategies, especially for consumer facing products (FMCG, Furniture as well as CFTI), to ensure that the value proposition offered by Proudly SA to companies in these sectors is strengthened Grow membership of companies in these sectors, and encourage use of logo (country of origin label) by members, especially on products. Strengthen Import replacement initiatives to grow base of local products on retail shelves/ stores	CEO/ Executive Manager: Strategy, Stakeholder Relations & Legal	CEO/ Executive Manager: Strategy, Stakeholder Relations & Legal	31-Mar-21
Brand research - Development of a scientific basis for local procurement	Lack of tools/resources to measure the impact of the work and programmes implemented by Proudly SA	4	The impact of work conducted can only be reliably measured if there are tools in place that can gauge whether Proudly South African is effective in achieving its mandate.	- Reputational damage. - Impaired stakeholder relations. - Strategy not informed and/or supported by real data	15	Annual consumer targeted research (Massmart) Distick surveys post most activities	12	Development of a monitoring and evaluation framework (inputs, activities, outputs, outcomes and impact). Conduct qualitative research.	CEO/CMO/Strategy Exec	CEO/CMO/Strategy Exec	31-Mar-21
Growing the database of South African supplier products and services for local procurement	Perceived lack of brand value by some potential members and resultant shortage of products and suppliers.	5	Perceived lack of brand value by some potential members and resultant shortage of products and suppliers.	This would result in potential members not taking up-subscriptions for membership at Proudly South African, thus reducing the impact the organisation would have in promoting local procurement and the ability to diversify its income streams.	20	- Reduction of membership fees - Improved value proposition - Focus on access to markets for members - Participation in industry master plans and hosting of industry forums	9	- Messaging impacting the value of Proudly South African - Building partnerships to drive localisation message - Sustained brand visibility through partnerships - Linking of localisation to BEE-scorecard - Development of industry specific strategies and partnerships with industry bodies and dtic sector desks	CEO/CMO/Strategy Exec	CEO/CMO/Strategy Exec	31-Mar-21
Financial Management and Business Continuity	High-Level Operational Risks	6	Business Continuity.	- Loss of data. - Loss of income to replace assets.	12	- Backups of core systems and cloud storage of all company data - Antivirus software and strengthened firewall protection - 24 hour security with armed response - Insurance - Disaster Recovery Site secured at Nedlic	9	Strengthening of Control Environment, including digitization of the organisation as well as enhancing Business Continuity plans	CEO/CFO	CEO/CFO	31-Mar-21



## PROGRESS AGAINST POST-AUDIT IMPLEMENTATION PLAN - 2019/20

No.	Finding	Corrective Action (Plan)	Status
1.	Allocation of the income received in advance between current and non-current portions	AFS were adjusted accordingly.	Completed
2.	Payment on a deposit, incorrectly recognised as trade payable	AFS were adjusted accordingly Rent is now paid on the 1 <sup>st</sup> of the month in which it is due instead of last day of the previous month	Completed
3.	Inadequate disclosure in respect of the effect of Covid-19 on Proudly South African and financial statements	Note to the AFS and the Directors' Report were adjusted accordingly	Completed
4.	Supplier invoices not settled within 30 days	Where suppliers do not provide the mandatory documents – the invoice would be stamped once all mandatory documents have been received and payment will be effected within 30 days of receipt of the said documents.	Ongoing
5.	Overstatement of VAT receivable	Due to Covid-19 pandemic the Feb/Mar 2020 vat return was based on provisional financial records a revised submission will be made with the next vat return – Aug/Sep 2020	Completed
6.	Completeness of the commitments note in the financial statements	Note to the AFS was adjusted accordingly	Completed
7.	Inconsistencies in the leave practices and the wording of the leave policy	The Leave Policy will be amended accordingly	Completed
8.	Inconsistencies between the planned objectives and reported objectives	The inconsistencies in the wording between the APP and the consolidated APR were adjusted accordingly	Completed
9.	Inconsistencies between the planned performance indicators and reported performances indicators	The two incorrectly captured targets in the consolidated APR were rectified accordingly	Completed
10.	Inaccurate reporting of performance achievements	The incorrectly captured actual performance in the consolidated APR was rectified accordingly	Completed
11.	Incorrect SBD form being used for quotations.	The SCM Policy will be amended accordingly to be more specific	31 January 2021
12.	Assessment of budget availability not reviewed consistently	Staff will be reminded to use the correct template for the Purchase Requisition	Completed
13.	Inconsistency between supply chain management policy and operational practices for requests for quotations below the value of R30 000	The error in the SCM Policy will be rectified however the current practice is in line with PPPFA	31 January 2021
14.	No signed contract in place for Tharolla Software	Tharolla was appointed on an unsolicited bid to develop the PMT Model, which was covered by a Trade Exchange agreement. No contract was entered into for subsequent support to populate & provide training on the PMT Model. This arrangement has since been cancelled. Contracts/SLA's will be entered into with all service providers.	Contracts/SLA's will be entered into for all new services
15.	Requirements of documents required for quotations above R30,000.	Documents were misplaced/misfiled. It is standard practice to request the TCC, BBB-EE certificate and a declaration of interest form to perform the 80/20 preference point calculation.	Completed

## FINANCIAL REPORT

Financial report - income and expenditure vs budget (Quarter 3 – 1 October to 31 December 2020)

Description of item	Budget for the quarter (Q3) Rands	Actual for the quarter (Q3) Rands	Variance for the quarters (Q3) Rands	% Variance	Reason for Variance	Annual Budget Rands	YTD Actual (31 December 2020) Rands	YTD Variance (31 March 2021) Rands
<b>INCOME</b>								
Membership Fees	1,139,000	1,124,255	(14,745)	(1%)	Various leads are being followed up, more smaller value members were recruited	4,556,000	3,493,810	(1,062,190)
Grant – the dtic	0	0	0	100%		35,475,000	35,475,000	0
Project based funding - UNOPS	0	0	0	0%		0	0	0
Sponsorship	0	0	0	0%		11,500,000	1,300,000	(10,200,000)
Other Income	0	211,808	211,808	100%	Interest income & sale of promotional items	0	494,583	494,583
<b>Total Income</b>	<b>1,139,000</b>	<b>1,336,063</b>	<b>197,063</b>	<b>17%</b>		<b>51,531,000</b>	<b>40,763,393</b>	<b>(10,767,607)</b>
<b>EXPENDITURE</b>								
HR and Staffing costs	5,776,790	6,062,204	(285,414)	(5%)	Payment of salary increases in December	22,631,944	15,591,057	7,040,887
Administrative costs	1,507,860	1,255,235	252,625	17%	Timing nature of certain cost elements & cost containment	6,614,662	3,336,799	3,277,863
Memberships costs	114,224	24,786	89,438	78%	Cost cutting exercise undertaken.	456,895	76,092	380,803
Marketing costs	2,730,000	2,655,653	74,347	3%	Timing nature of certain cost elements	19,822,253	5,184,407	14,637,846
Capital Expenditure & IT	371,136	339,677	31,459	8%	Timing nature of certain cost elements	2,005,245	835,963	1,169,283
<b>Total Expenditure</b>	<b>10,500,009</b>	<b>10,337,555</b>	<b>162,454</b>	<b>2%</b>		<b>51,531,000</b>	<b>25,024,318</b>	<b>26,506,682</b>

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