



Companies and Intellectual  
Property Commission

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# **COMPANIES AND INTELLECTUAL PROPERTY COMMISSION (CIPC)**

## **ANNUAL REPORT**

**2024/25**

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## Glossary of Terms

This section appears to be part of a glossary or definitions page intended to explain key terms used in the Annual Report or in the context of the Companies Act, 2008.

### **Annual Returns:**

A mandatory submission by every registered company each year, filed in the prescribed format and fee, within a specified period after the anniversary of incorporation. It must include audited financial statements (if required under the Companies Act, 2008) and any other prescribed information.

### **Beneficial Ownership (BO):**

Refers to the natural person(s) who ultimately own or control a company, including those with significant influence or interest, even if not listed as shareholders. This supports transparency and accountability in corporate structures.

### **Director**

A member of a company's board as defined in the Companies Act, 2008. This includes alternate directors or any person acting in the capacity of a director, regardless of title.

### **Environment, Social and Governance (ESG):**

A framework used to assess an organisation's sustainability and societal impact through its environmental performance, social responsibility, and governance practices.

### **Financial Reporting Standards:**

The accounting standards applicable to a specific company's financial statements, as prescribed in the Companies Act, 2008.

### **Member**

In relation to a non-profit company, a person who holds membership and specified rights in the company as per its founding documents and the Companies Act, 2008.

### **Memorandum of Incorporation (MOI):**

The founding document of a company outlining the rights, responsibilities, and duties of shareholders, directors, and other stakeholders, in accordance with the Companies Act, 2008.

### **Non-Profit Company (NPC):**

A company established for public benefit or another lawful objective. Its income and property may not be distributed to its members, directors, or related persons, except as permitted by the Companies Act, 2008.

### **Private Company:**

A for-profit company that is not state-owned or publicly traded and meets the criteria of Section 8(2)(b) of the Companies Act, 2008.

### **Profit Company:**

A company incorporated with the primary objective of generating financial return for its shareholders. This includes private, public, and personal liability companies.

**Public Company:**

A profit company that is not a private, personal liability, or state-owned company, and may offer its shares to the public.

**Registration Certificate:**

An official document issued by the CIPC as proof of a company's or intellectual property's registration or incorporation (including patents, designs, trademarks, and copyright in film).

**Registry:**

The official database maintained by the CIPC where documents required by the Companies Act, 2008 are recorded and stored.

**State-Owned Company (SOC):**

A company registered under the Companies Act, 2008 that is either:

(a) classified as a “state-owned enterprise” under the Public Finance Management Act, 1999;

or

(b) owned by a municipality as per the Municipal Systems Act, 2000, and functions similarly to a state-owned enterprise.

**Substantive Search and Examination:**

A detailed process conducted by the CIPC to assess whether an application for intellectual property (such as a patent or trademark) meets the legal requirements before registration is granted.

## About the Annual Report

This document constitutes the Annual Report of the Companies and Intellectual Property Commission (CIPC) of South Africa for the 2024/25 financial year. It is premised on the Commission's Strategic Plan for 2021/22 – 2025/26. This Annual Report has been prepared in line with the Annual Report Guide for Schedule 3A and 3C Public Entities, which is published by the National Treasury. It captures the key performance outputs, outcomes, and impact of the Commission over the reporting period. It also articulates how the Commission fared in the management of its resources and in complying with corporate governance principles as captured in Part C of this report.

This report is organised as follows:

- Part A: General Information
- Part B: Performance Information
- Part C: Governance
- Part D: Human Resource Management
- Part E: PFMA Compliance Report
- Part F: Financial Information
- Part G: Service Delivery and Organisational Environment Statistics

## PART A: GENERAL INFORMATION

### 1. Public Entity's General Information

**Registered Name of the Public Entity**

Companies and Intellectual Property Commission (CIPC)

**Registration Numbers and/or Other Relevant Numbers**

Not applicable

**Registered Office Address**

*the dtic* campus (Block F - Entfutukweni)

77 Meintjies Street

Sunnyside,

Pretoria

**Postal Address**

P.O. Box 429

Pretoria

0001

**Contact Telephone Number**

+27 86 100 2472

**Enquiries**

<http://enquiries.cipc.co.za>

**Website Address**

[www.cipc.co.za](http://www.cipc.co.za)

**External Auditors Information**

Auditor-General South Africa (AGSA)

PO Box 446

Pretoria

0001

**Banker's Information**

ABSA Business Banking

PO Box 4210

Pretoria

0001

**Company Secretary**

The CIPC does not have a Company Secretary.

## 2. Acronyms and Abbreviations

Abbreviation	Description
AFS	Annual Financial Statement
AGM	Annual general meeting
AGSA	Auditor General South Africa
AI	Artificial Intelligence
AML	Anti-Money Laundering
ARIPO	African Regional Intellectual Property Organisation
B-BBEE	Broad Based Black Economic Empowerment
BISG	Business Intelligent Services Group
BRICS	Britain, Russia, India, China, South Africa
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CSD	Central Supplier Database
DG	Director General
DHA	Department of Home Affairs
DIP	Data Integrity Policy
DP	Development Plan
ELP	Experiential Learning Programme
ESG	Environmental, Social, and Governance
ETL	Extract, transform, and load
FATF	Financial Action Taskforce
GNU	Government of National Unity
GRAP	Generally Recognised Accounting Practice
GRC	Governance Risk and Compliance
HIPO	Heads of Intellectual Property Offices
HR	Human Resources
IAP	Inventor Assistance Programme
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standard
IPAS	Industrial Property Automation System
IPO	Initial Public Offering
ISMS	Information Security Management System
IT	Information Technology
JPO	Japan Patent Office
JSE,	Johannesburg Stock Exchange
KPI	Key Performance indicator
MOI	Memorandum of Incorporation
MTDP	Medium Term Development Plan
NDP	National Development Plan

Abbreviation	Description
NPA	National Prosecuting Authority
NPC	Non-Profit Company
NPO	Non-Profit Organisation
OHS	Occupational Health and Safety
OTP	One Time Password
PCT	Patent Cooperation Treaty
PFMA	Public Finance Management Act
POPIA	Protection of Personal Information Act
QRS	Query Resolution System
SA	South African
SACCL	Standing Advisory Committee on Company Law
SAPS	South African Police Services
SARS	South African Revenue Service
SCM	Supply Chain Management
SME	Small Medium Enterprise
SMME	Small Medium-Micro Enterprise
SOC	State Owned Company
SOE	State Owned Entity
SONA	State of the Nation Address
SSE	Substantive Search and Examination
SST	Self-Service Terminal
TAT	Turn Around Time
TRIPS	The Agreement on Trade-Related Aspects of Intellectual Property Rights
TVET	Technical Vocational Education and Training
UIF	Unemployment Insurance Fund
UNISA	The University of South Africa
WIPO	World Intellectual Property Organisation
XBRL	eXtensible Business Reporting Language
XDS	Xpert Decision Systems Pty Ltd

### 3. Foreword by the Minister



**Honourable Mr. Parks Tau, Member of Parliament**

*Minister of Trade, Industry and Competition*

I am honoured to present the 2024/25 Annual Report of the Companies and Intellectual Property Commission (CIPC), an institution that plays a pivotal role in the South African economy by fostering formalisation, protecting intellectual property (IP), enhancing transparency, and driving innovation. This reporting period was defined by our unwavering commitment to economic reform and inclusive growth, as set out in the Economic Reconstruction and Recovery Plan, and the Government of National Unity's (GNU) Medium Term Development Plan (MTDP), the reimagined industrial strategy, and the national investment agenda. Amid evolving global and domestic challenges, the Commission has demonstrated agility and leadership in adapting to change, strengthening regulatory integrity, and expanding digital service delivery to support entrepreneurs, investors, and creatives alike.

In 2024/25, the Commission made significant strides in key areas, including the implementation of the amended Companies Act, the operationalisation of beneficial ownership registers, and proactive enforcement actions against counterfeit goods and non-compliant entities. These efforts have improved corporate transparency, safeguarded intellectual assets, and aligned our regulatory systems with global standards, all while supporting the drive for ethical governance and public trust.

Furthermore, I commend the CIPC for its targeted support to small businesses, township and rural enterprises, and for championing digital transformation in registration and compliance processes. The Commission's collaboration with law enforcement agencies, Parliament, and international partners reflects a growing momentum toward more effective corporate and IP governance, which is vital for building a resilient and dynamic economy.

As South Africa intensifies efforts to mobilise R1.2 trillion in investment and achieve 3.6% GDP growth, institutions like the CIPC will continue to be instrumental in unlocking economic participation and enabling innovation. I extend my appreciation to the leadership and staff of the CIPC for their dedication to service excellence, transformation, and continuous improvement during this critical period.

Let us continue forging pathways toward a more inclusive, competitive, and knowledge-based economy that benefits all South Africans.

-----  
**Mr. Parks Tau, MP**  
Minister of Trade, Industry and Competition  
Republic of South Africa

Date:

## 4. The CIPC Commissioner's Overview



**Advocate Rory Voller**  
**CIPC Commissioner**

I hereby present the CIPC 2024/25 Annual Report, which outlines the CIPC's performance during this period.

The 2024/25 financial year marked a critical phase in the CIPC's journey toward achieving its Vision 2030 and Beyond (V30B) Strategy, as well as GNU's and Department of Trade, Industry and Competition's (*the dtic*) MTDP strategic objectives. Against a backdrop of global economic uncertainty, regulatory reforms, and technological disruption, the Commission remained steadfast in its commitment to building an inclusive, transparent, and efficient business regulatory environment. We are proud to have continued our role in enabling formal economic participation, protecting intellectual property, and enhancing investor confidence.

In alignment with our strategic plan, we advanced our digital transformation agenda, modernised regulatory frameworks, and contributed meaningfully to national socio-economic priorities. Key highlights include:

- Implementation of the Companies Act Amendment, 2024 (Act No. 16 of 2024) introducing beneficial ownership disclosure for greater corporate transparency, including annual submission of information by co-operatives, audit, and independent review of co-operatives, voluntary winding-up of co-operatives by special resolution, liquidation process of co-operatives
- Enhancement of automated services, including seamless online registration and compliance platforms for companies and intellectual property.
- Strengthening intellectual property enforcement, in collaboration with law enforcement agencies, resulting in multiple counterfeit goods raids.
- Providing targeted support for SMMEs through streamlined processes and capacity-building initiatives.
- Deepened collaboration with international regulators and regional IP bodies, positioning South Africa as a thought leader in modern business regulation.

While we navigated fiscal constraints and increasing demand for services, our teams demonstrated agility and resilience. Load shedding and cybersecurity threats required heightened vigilance, prompting investment in business continuity and data security infrastructure. Importantly, we maintained operational continuity and met or exceeded most of our performance indicators.

We accelerated efforts to embed Environment, Social and Governance (ESG) principles into our operations. Internally, transformation remains central to our culture. We strengthened staff wellness initiatives, advanced employment equity, and invested in skills development. The CIPC also continued to enhance gender representation across leadership roles and focused its

efforts on how to enhance Broad-Based Black Economic Empowerment (B-BBEE) through procurement.

The 2025/26 period will focus on deepening our impact. Priority areas include:

- Full-scale implementation of the Trillion Rand Investment Growth Plan in support of economic reform.
- Leveraging data analytics and AI for smarter regulatory oversight.
- Driving compliance monitoring and risk profiling of companies and IP holders.
- Continued implementation of our digital strategy to improve service accessibility, security, and customer satisfaction.

Below I outline, in more detail, the posture of our organisation:

## 4.1 General Financial Review

The strategic financial focus areas for the financial year (FY) under review were:

- **Digital Transformation and Modernization**

The CIPC is continuing its modernization efforts, emphasizing the automation of processes and the enhancement of intellectual property protections. This aligns with its goal to position itself as a reputable, world-class regulator through the strategic use of digital technologies and innovation.

- **Regulatory Compliance and Enforcement**

The CIPC continued to implement measures to ensure compliance with the Companies Act, 2008, as amended including the mandatory submission of beneficial ownership declarations with annual returns, effective from July 2024. This initiative aims to enhance transparency and accountability within corporate structures.

- **Financial Oversight and Accountability**

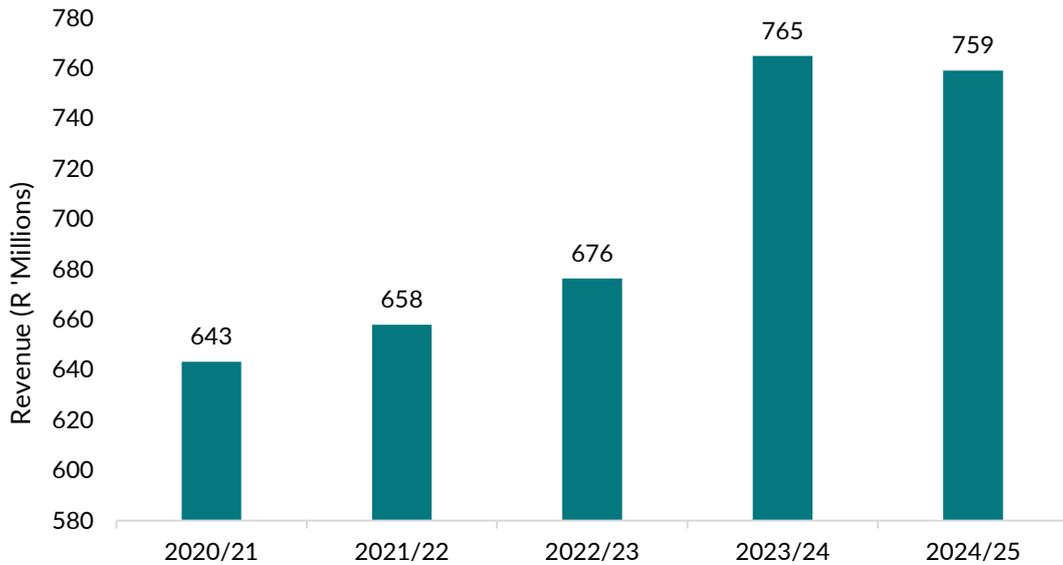
A commitment to prudent financial management and the efficient allocation of resources to support the Commission's strategic objectives. This includes investments in technology and human capital to bolster its regulatory capabilities.

- **Financial Reporting**

The detailed financial performance and audited financial statements in Part F provides comprehensive insights into revenue streams, expenditure, and financial health.

The CIPC in South Africa generates revenue primarily from fees associated with its services, with a significant portion coming from annual return filings and associated penalties.

*Figure A. 1: The CIPC's Total Revenue Trend over Five (5) Financial Years.*



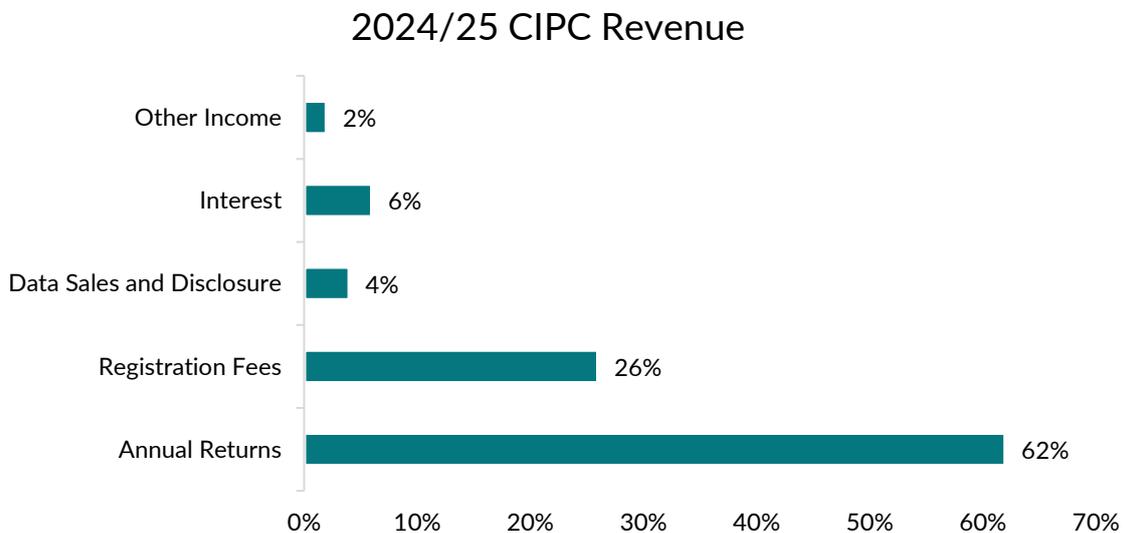
This indicates consistent growth in its financial operations.

**Key Revenue Streams:**

- **Annual Returns:** This is a major source of revenue for the CIPC. All companies and close corporations are legally required to file annual returns, and late submissions incur penalties.
- **Revenue from Exchange Transactions:** This category typically includes fees for services like company registrations, intellectual property registrations (trademarks, patents, designs), and other transactional services.
- **Revenue from Non-Exchange Transactions:** This primarily includes penalties and other non-service-related income. As seen above, late filing penalties contribute significantly here.

**Figure A.2: Breakdown of Revenue** depicts the Commission’s revenue trends over the period under review.

Figure A. 2: Breakdown of Revenue



The CIPC's revenue appears to be stable compared to the prior year, and on an upward trajectory in the long term. This is driven by the legislative requirement for annual return filings and the enforcement of penalties for non-compliance. While there are some concerns about declining new company registrations, the core services generate sufficient income, and this is expected to continue into the foreseeable future. The CIPC's focus on modernisation and digital solutions is likely to continue shaping its operational efficiency and financial performance.

## 4.2 Spending Trends of the Public Entity

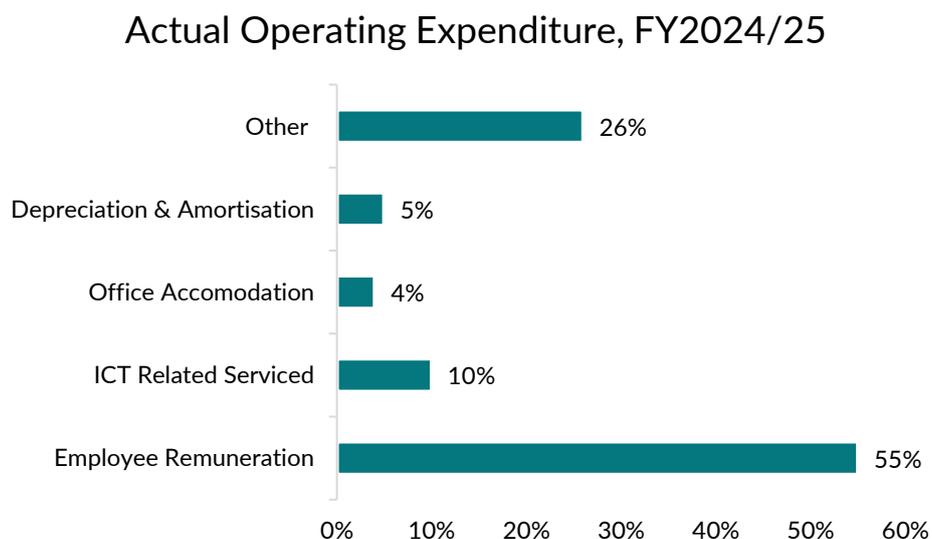
In the 2024/25 FY, the CIPC continued its trend of prudent financial management, focusing on operational efficiency and strategic investments. Here is an overview of the spending trends during this period:

As a self-funded entity, the CIPC's expenditures are primarily directed towards:

- **Employee Remuneration** is the most significant expense.
- **Information and Communication Technology (ICT) Services:** Investments in ICT have been pivotal for the CIPC's digital transformation initiatives, including the implementation of the iXBRL reporting system and the enhancement of online service platforms.
- **Office Accommodation:** Expenditures related to office spaces and associated operational costs.
- **Depreciation and Amortization:** Reflecting the wear and tear of assets and the amortization of intangible assets over time.
- **Other Operational Costs:** Including utilities, maintenance, and miscellaneous administrative expenses.

**Figure A. 3: Actual Operating Expenditure** shows the expenditure trends for the period under review.

Figure A. 3: Actual Operating Expenditure, FY2024/25



In summary, the CIPC's spending trends in FY2024/25 reflect a balanced approach to maintaining operational effectiveness while investing in strategic initiatives. Through prudent financial management and a focus on digital transformation, the CIPC continues to fulfil its mandate efficiently.

### 4.3 Capacity Constraints and Challenges

In the 2024/25 financial year, the CIPC faced several capacity constraints and challenges, impacting progress in digital transformation, and enhancing operational efficiency.

The shift towards a more IT-centric operational model revealed significant skills gaps within the CIPC. The organisation faced challenges in attracting and retaining qualified IT professionals, partly due to financial constraints that limited competitive remuneration. This shortage hindered the effective implementation and maintenance of new digital systems.

### 4.4 Discontinued Activities/Activities due to be Discontinued

In the 2024/25 financial year, the Commission did not officially discontinue any core services or business functions. However, several significant operational changes and enforcement actions effectively phased out older processes and impacted certain activities.

Effective 1 September 2024, the CIPC ceased accepting email submissions for specific business rescue documents, including:

- Business Rescue Status Reports (CoR125.1)
- Notices of Termination of Business Rescue Proceedings (CoR125.2)
- Notices of Substantial Implementation of a Business Rescue Plan (CoR125.3)

These filings are now exclusively processed through the CIPC's New E-services portal. This move aimed to streamline operations and enhance efficiency by eliminating manual email-based processes.

While the CIPC did not officially discontinue any core services in the 2024/25 financial year, the organisation implemented significant changes that phased out certain legacy processes and enforced compliance more rigorously. These actions reflect the CIPC's commitment to modernizing its operations and aligning with international best practices.

### 4.5 New or Proposed Activities

In the 2024/25 FY, the CIPC introduced several new services aimed at enhancing digital transformation, improving compliance, and supporting business growth in South Africa. Key initiatives included:

- **Automated Cooperative Registration Platform**

The CIPC launched a fully automated registration system specifically designed for co-operatives. This digital platform streamlines the registration process, eliminates paper-based applications, and significantly reduces administrative burdens. It is a major step toward economic empowerment, particularly targeting marginalised groups such as women, youth, and rural communities.

Key features include:

- A completely paperless experience
- 24/7 access to registration services
- OTP-based authentication to ensure secure transactions

The initiative aims to formalize informal co-operatives, granting them access to legal recognition and the full range of rights and benefits provided under the Co-operatives Act, 2013 (Act No. 13 of 2013).

Previously, co-operatives registration involved a hybrid process and only enabled automatic registration for income tax with the South African Revenue Service (SARS). With full automation now in place, newly registered co-operatives can also access the following services at the point of registration:

- Unemployment Insurance Fund (UIF)
- Broad-Based Black Economic Empowerment (B-BBEE) certificate
- Compensation Fund
- Business bank account

- **Annual Returns**

For the first time in the history of co-operatives in South Africa, entities can now submit their annual information and pay annual returns online, as required by the Co-operatives Act, 2013. This innovation makes it significantly easier for co-operatives to comply with legal obligations and maintain good standing, further supporting sustainability and access to formal sector opportunities.

- **Online Filing for Prospectuses**

Effective 1 September 2024, the CIPC transitioned the submission of prospectuses to its e-Services portal. This move from email-based submissions to an online platform enhances efficiency and ensures timely compliance. Applicants are granted five (5) business days to rectify and resubmit documents if initially rejected, with potential additional fees for non-compliance.

These initiatives reflect the CIPC's commitment to modernizing its operations, enhancing compliance, and supporting the growth of businesses in South Africa.

#### 4.6 Requests for Rollover of Funds

No rollover was reported, or requested, during this period. The entity is self-funded and applies zero-based budgeting.

#### 4.7 Supply Chain Management

The Supply Chain Management (SCM) Unit is located within the Office of the Chief Financial Officer (CFO), in line with Treasury Regulations and the Public Finance Management Act (PFMA), No. 1 of 1999, as amended. It is responsible for procurement of goods and services for the CIPC in of funds a fair, equitable, transparent, cost-effective, and competitive manner.

#### 4.8 All Concluded Unsolicited Bid Proposals for the Year Under Review

The CIPC had no unsolicited bid proposals for the year under review.

## 4.9 SCM Processes and Systems in Place

The Supply Chain Management (SCM) Unit, positioned within the Office of the Chief Financial Officer (CFO), operates in compliance with Treasury Regulations and the Public Finance Management Act (PFMA), No. 1 of 1999, as amended. Its core responsibility is to ensure procurement of goods and services for the CIPC in a fair, equitable, transparent, cost-effective, and competitive manner.

The SCM processes and systems include an approved SCM policy, clear Delegations of Authority, and submission of a comprehensive procurement plan along with quarterly reports detailing actual expenditures versus the plan. This practice helps mitigate the risk of irregular expenditure. Additionally, appointments made through deviation processes, as well as contract variations and extensions, are reported to the National Treasury in accordance with regulatory requirements.

All bids undergo thorough evaluation and adjudication by designated bid committees, with declarations of interest appropriately documented during committee meetings. These SCM processes and systems are routinely reviewed and updated in line with PFMA and Treasury Regulation requirements.

## 4.10 Challenges Experienced and How These are Resolved

In the 2024/25 FY, the CIPC encountered several operational challenges, primarily stemming from system upgrades and increased service demand. Here is an overview of these challenges and the measures implemented to address them:

### **System Downtime and Data Breach Response**

In March 2024, the CIPC experienced a significant data breach that led to the shutdown of all core IT systems for urgent maintenance. This incident caused the BizPortal and CIPC websites to be offline temporarily, affecting access to services and operations. The CIPC's IT team conducted a thorough investigation and implemented enhanced security protocols to prevent future breaches. Systems were restored promptly, and services resumed.

### **Challenges with Foreign Director Assurance and Data Migration**

The introduction of the foreigner assurance service and the migration of director data from legacy systems led to delays and issues in processing applications involving foreign directors. The CIPC worked on resolving issues related to the Foreigner Assurance process and data migration. Customers were encouraged to log queries for isolated cases to facilitate prompt resolution.

### **Backlogs in Processing Registrations**

A surge in registrations, particularly for spaza shops, led to significant delays in processing applications. The CIPC issued Customer Notice 72 of 2024 to inform stakeholders about the delays. Efforts were made to improve processing times and clear backlogs, including reallocating resources to high-demand areas.

### **Beneficial Ownership Declaration Challenges**

Companies faced difficulties in submitting Beneficial Ownership Declarations, often due to technical issues or non-compliance. The CIPC provided detailed guidelines and step-by-step approaches to assist companies in the verification process. Technical support was made available through the CIPC enquiry system to address specific issues.

Despite these challenges, the CIPC's proactive approach in addressing issues and implementing resolution measures demonstrates its commitment to improving service delivery and maintaining the integrity of its operations.

#### 4.11 Audit Report on Matters in the Previous Year and How These are Addressed

There are no audit matters from the previous year as the CIPC received a clean audit.

#### 4.12 Outlook/Plans for the Future to Address Financial Challenges

There are currently no financial challenges facing the organisation in the short to medium-term. However, there are several combined efforts, measures, and steps that seek to secure the CIPC's economic viability, as outlined in *Section 4.14*.

#### 4.13 Events after the Reporting Date

There were no events that occurred after the end of the reporting date, that warrants reporting.

#### 4.14 Economic Viability

The CIPC plays a vital role in South Africa's economic infrastructure by administering company and intellectual property (IP) registration, supporting regulatory compliance, and providing business data for informed decision-making. Ensuring its economic viability is crucial for its continued capacity to support entrepreneurship, corporate governance, innovation, and economic formalisation. To this end, the CIPC has adopted a multifaceted financial strategy aligned with its legislative mandate, national policy imperatives, and prevailing economic conditions.

##### **Revenue Generation and Compliance Enhancement**

The CIPC's financial sustainability is underpinned primarily by its own revenue generation, with key sources being annual return filings, registration fees, and fees for intellectual property services. As the national registrar of companies, the CIPC is mandated to maintain an accurate and compliant register. This obligation is central to its revenue model: non-compliance directly affects revenue, while improved compliance strengthens financial performance.

In the financial year under review, notable progress has been made in increasing compliance, driven by:

- **Proactive de-registration of non-compliant entities**, which clears inactive entries and streamlines the register.
- **Robust education and awareness campaigns** to inform businesses of their filing obligations.

These efforts have already yielded positive financial outcomes, reflecting increased revenue collection from annual returns. Continued emphasis on compliance, supported by digital platforms and integrated enforcement measures, will increase revenue and decrease administrative inefficiencies.

### Adjustments to Pricing and Fee Structures

To maintain pace with operational costs and economic pressures, the CIPC has strategically planned **gradual increases in registration and service fees**. These adjustments, while modest, will contribute to a steady rise in gross revenue without unduly burdening entrepreneurs or SMMEs. This aligns with global practices in the corporate and IP registration industry, where fee adjustments are periodically reviewed to sustain service quality and digital innovation.

### Data Commercialisation and New Revenue Streams

Recognising the increasing value of business and economic data, the CIPC is moving to **monetise its rich datasets**. By offering anonymised data products and analytical services to third parties—such as research institutions, banks, credit rating agencies, and government departments—the CIPC can diversify its income and support evidence-based decision-making in both public and private sectors.

This initiative is aligned with global trends where registries are evolving from mere administrative repositories to strategic data hubs. The planned data sales will also align with POPIA (Protection of Personal Information Act) and ethical data management standards.

### Financial and Economic Context

The CIPC's financial planning takes into consideration the following:

- **National Treasury's fiscal constraints** and austerity measures require that public entities like CIPC demonstrate strong self-sustainability.
- **Unstable macroeconomic conditions**—including low GDP growth, high unemployment, and inflation—necessitate cautious but innovative financial planning.
- **The financial standing of the South African government**, which places pressure on SOEs and regulatory entities to generate their own revenue and reduce dependence on the fiscus.

In this context, the CIPC's relatively low reliance on government transfers positions it favourably. Its ability to generate cash surpluses allows for reinvestment in digital infrastructure, stakeholder education, and compliance monitoring.

### Industry Positioning and Legislative Framework

Operating within the framework of the **Companies Act (2008)** and the **Intellectual Property Laws Amendment Act**, the CIPC occupies a unique position in South Africa's business landscape. The demand for corporate registration and IP protection continues to rise with:

- The growth of the **entrepreneurial and informal sector formalisation**,
- Increasing focus on **innovation and IP commercialisation**, and
- The government's drive to improve the **ease of doing business** in South Africa.

This growing demand for its services reinforces the CIPC's revenue base, provided service quality and digital access are consistently improved.

The CIPC's economic viability is being strengthened through a deliberate strategy focused on improved compliance, modest fee adjustments, commercialisation of data, and service innovation. Anchored in a strong legislative mandate and informed by South Africa's economic

realities, the Commission is well-positioned to sustain its operations and continue fulfilling its critical role in the formalisation and regulation of the South African economy. Through prudent financial planning and leveraging its unique market position, the CIPC is poised to maintain a trajectory of self-sustainability and growth.

#### 4.15 Acknowledgement/s or Appreciation

I extend my sincere appreciation to the CIPC Executive, Senior Management, and all Staff for their unwavering commitment and professionalism. Your collective efforts continue to drive the successful implementation of our Annual Performance Plan and enable the effective delivery of high-quality services to our clients. Your dedication remains central to the organisation's performance and impact.

I also acknowledge the positive role played by organised labour in promoting a stable, inclusive, and productive work environment, thereby enhancing the overall effectiveness of the organisation.

Special thanks go to the Audit and Risk Committee and the IT Committee for their consistent focus on governance, risk management, and innovation. I further appreciate the contributions of other advisory and consultative structures, such as the Client Liaison Committee (CLC), the Intellectual Property (IP) legal fraternity, and the Standing Advisory Committee on Company Law (SACCL), whose insights and collaboration strengthen our regulatory framework and service delivery.

We are also grateful for the ongoing support and oversight provided by relevant Parliamentary Portfolio Committees, particularly the Portfolio Committee on Trade, Industry and Competition. Their guidance and constructive engagement help ensure accountability, alignment with national development priorities, and continuous improvement in our performance.

Lastly, I wish to acknowledge the valuable partnerships we have with international communities and organisations, including multilateral bodies, foreign IP offices, business regulatory agencies, and strategic stakeholders across borders. These collaborations promote knowledge exchange, global best practices, and harmonisation of regulatory standards, all of which contribute to strengthening South Africa's position in the global economic and innovation landscape.

Together, these collective efforts enable the CIPC to deliver on its mandate and contribute meaningfully to inclusive economic growth, innovation, and the ease of doing business.

#### 4.16 Other (information that needs to be communicated to users of AFS)

The Annual Financial Statements for the year ending 31 March 2025 are prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and incorporate disclosures in line with the accounting policies of the entity and the requirements of the PFMA.

## 5. Statement of Responsibility

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General.

The Annual Report is complete, accurate, and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The External Auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2025.

Yours faithfully,

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**Rory Voller, Adv.**

**The CIPC Commissioner**

**South Africa**

**Date:**

## 6. Strategic Overview

### 6.1. Vision

A world-class modern regulator, making a strategic contribution towards improving competitiveness and driving economic growth in South Africa.

### 6.2. Mission

We make it easy to do business in SA, in collaboration with our partners;

We regulate business and the IP environment contributing to SA becoming an investment destination, and enabling the protection and commercialisation of innovation, and

We leverage technology, knowledge assets, and networks to support third party decision making.

### 6.3. Values

Consistent with being a South African national public entity, the Batho Pele principles drive the conduct of the CIPC Executive, Management, and Staff in carrying out their mission, with emphasis on the values listed in **Table A. 1: The CIPC Values**.

Table A. 1: The CIPC Values

Value	What it Means
<b>Passion for Service</b>	We work as one to seamlessly serve our customers with passion, commitment, and dedication.
<b>Integrity</b>	We live out fairness, impartiality, and respect in all our actions – as individuals and as an organisation.
<b>Empowerment</b>	We recognise the value of our employees and partners and provide them with the discretion and tools to effectively deliver on their responsibilities.
<b>Accountability</b>	We hold one another accountable for our commitments. We are responsible and responsive in the execution of our duties.
<b>Collaboration</b>	We believe in the power of teams, teamwork, and collaborative effort to deliver exceptional service and to execute our duties effectively.

## 7. Legislative and other Mandates

### 7.1 Constitutional Mandate

The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996) as amended (hereinafter referred to as 'the Constitution'), is the supreme law of the Republic, with all legislation subservient to the prescripts of the Constitution. That is, no other law or government action can supersede the provisions of the Constitution. The CIPC, through its mandate and strategy, must abide by the Constitution. **Table A. 2: The CIPC's Constitutional Mandate** highlights relevant sections of the Constitution applicable to the CIPC.

Table A. 2: The CIPC Constitutional Mandate

Chapter / Section	Provision
<b>Chapter 2: Bill of Rights</b>	
<b>Rights: Section 7</b>	The state must respect, protect, promote, and fulfil the rights in the Bill of Rights.
<b>Equality: Section 9:</b>	The state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language, or birth.
<b>Access to Information: Section 32</b>	(1) Everyone has the right of access to—  (a) any information held by the state; and  (b) any information that is held by another person and that is required for the exercise or protection of any rights.  (2) National legislation must be enacted to give effect to this right and may provide for reasonable measures to alleviate the administrative and financial burden on the state.
<b>Just Administrative Action: Section 33</b>	(1) Everyone has the right to administrative action that is lawful, reasonable, and procedurally fair.  (2) Everyone whose rights have been adversely affected by administrative action has the right to be given written reasons.  (3) National legislation must be enacted to give effect to these rights, and must – according to Chapter 2: Bill of Rights 14:  (a) provide for the review of administrative action by a court or, where appropriate, an independent and impartial tribunal;  (b) impose a duty on the state to give effect to the rights in subsections (1) and (2); and  (c) promote an efficient administration.

### 7.2 Legislative Mandates

The CIPC is listed as a Schedule 3A entity in the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended (hereinafter referred to as the PFMA).

As shown in **Table A. 3: The PFMA Provisions for Public Entities** below, Chapters 1, 6, and Schedule 3A of the PFMA provide for public entities such as the CIPC.

Table A. 3: The PFMA Provisions for Public Entities

Chapter / Section	Provision
<b>Chapter 1</b>	A national public entity is a board, commission, company, corporation, fund, or other entity (other than a national government business enterprise) which is— (i) established in terms of national legislation; (ii) fully or substantially funded either from the National Revenue Fund, or by way of a tax, levy or other money imposed in terms of national legislation; and (iii) accountable to Parliament;
<b>Chapter 6</b>	Provides classification, assignment of powers and responsibilities, corporate plans, annual budgets and performance, revenue and expenditure management, information access, annual reports, and financial statements of public entities.
<b>Schedule 3A</b>	List the CIPC as a Schedule 3A entity

The CIPC, as a national public entity, is established by - and derives its core mandate from - national legislation, namely the Companies Act, 2008 (Act No. 71 of 2008), as amended (hereinafter referred to as the Companies Act). In addition to the Companies Act, the CIPC must abide by further applicable legislation, as illustrated in **Table A. 4: The CIPC Legislative Mandate**.

Table A. 4: The CIPC Legislative Mandate

Legislation	Summary
<b>Companies Act, 2008 (Act No 71 of 2008)</b>	<p>Register companies, business rescue practitioners, and corporate names; maintain data; regulate governance and disclosure by companies; accredit dispute resolution agents; educate and inform about all laws; give non-binding opinions and circulars, policy, and legislative advice.</p> <p>Enforce the Companies Act, 2008, to promote voluntary resolution of disputes arising under this Act between companies and directors or shareholders as contemplated in Part C of Chapter 7, monitor proper compliance with the Act, receive or initiate complaints concerning alleged contravention of this Act, evaluate such complaints, and initiate investigations into complaints.</p> <p>Maintenance of accurate, up-to-date, and relevant information concerning companies, foreign companies, and other juristic persons contemplated in subsection (1)(a)(ii), and concerning intellectual property rights, and the provision of that information to the public and to other organs of state.</p>
<b>Companies Amendment Act, 2024 (Act No 16 Of 2024)</b>	<p>Refine various aspects of company regulation and governance:</p> <ul style="list-style-type: none"> <li>• <b>Definitions and Clarifications:</b> Inserting new definitions and amending the definition of "securities," as well as clarifying when amendments to a Memorandum of Incorporation become effective.</li> <li>• <b>Company Records and Transparency:</b> Providing for the Companies and Intellectual Property Commission (CIPC) to publish notices regarding the location of company records, and differentiating limitations on access to company records.</li> <li>• <b>Remuneration and Reporting:</b> Introducing requirements for companies to prepare, present, and vote on remuneration</li> </ul>

Legislation	Summary
	<p>policies and directors' remuneration reports. It also mandates the filing of annual financial statements.</p> <ul style="list-style-type: none"> <li>• <b>Share-Related Matters:</b> Empowering courts to validate irregularly created, allotted, or issued shares. It clarifies that unpaid shares are to be transferred as a stakeholder and dealt with under a stakeholder agreement, and excludes subsidiary companies from financial assistance requirements. It also specifies instances where a special resolution is needed for a company to acquire its own shares.</li> <li>• <b>Social and Ethics Committee:</b> Requiring social and ethics committee reports and remuneration reports to be presented at annual general meetings of public companies. It clarifies the circumstances under which a private company will be deemed a regulated company, provides for the publication of exemption applications for social and ethics committees, and addresses the composition and reporting requirements of these committees.</li> <li>• <b>Auditor Appointments:</b> For private, personal liability, or non-profit companies, it allows for auditor appointments at shareholder meetings if required by the Act.</li> <li>• <b>Employee Share Schemes:</b> Extending the definition of employee share schemes to include share purchases.</li> <li>• <b>Financial Thresholds:</b> Empowering the Minister (in consultation with the Takeover Regulation Panel) to determine financial thresholds for identifying private companies subject to specific regulations under Chapter 5 of the Act.</li> <li>• <b>Business Rescue:</b> Providing for post-commencement finance for unpaid amounts due to landlords during business rescue proceedings.</li> <li>• <b>Company Names:</b> Allowing the CIPC to substitute contested company names under certain circumstances.</li> <li>• <b>Companies Tribunal:</b> Specifying that the Companies Tribunal will handle mediation, conciliation, and arbitration only for relief or complaints under the Act, and further detailing its operation and governance.</li> <li>• <b>* Financial Reporting Standards Council:</b> Providing for pronouncements to be issued by the Financial Reporting Standards Council.</li> </ul>
<p><b>Companies Second Amendment Act, 2024 (Act No. 17 of 2024)</b></p>	<p>Revise the time limits (time bars) for two types of legal proceedings:</p> <ul style="list-style-type: none"> <li>• <b>Recovering losses or damages:</b> Changing the deadline for bringing claims against individuals liable for loss, damages, or costs under section 77 of the Act.</li> <li>• <b>Declaring delinquency or probation:</b> Adjusting the time limit for applying to have a person declared delinquent or placed under probation as per section 162(2) and (3) of the Act.</li> </ul> <p>Essentially, the goal is to alter the statutory periods within which these specific legal actions can be initiated.</p>
<p><b>Close Corporations Act, 1984 (Act No. 69 of 1984)</b></p>	<p>Maintain data, regulate governance, and disclosure by close corporations.</p>
<p><b>Co-operatives Act, 2005 (Act No. 14 of 2005)</b></p>	<p>Register co-operatives, maintain data, and regulate governance of and disclosure by co-operatives.</p>
<p><b>Co-operatives Amendment Act, 2013 (Act No. 6 of 2013)</b></p>	<p>Annual submission of information by co-operatives, audit, and independent review of co-operatives, voluntary winding-up of</p>

Legislation	Summary
	cooperatives by special resolution, liquidation process of co-operatives.
Share Block Control Act, 1980 (Act No. 59 of 1980)	Regulate conduct and disclosure by share block schemes.
Consumer Protection Act, 2008 (Act No. 68 of 2008)	Register business names.
Trade Mark Act, 1993 (Act No. 194 of 1993)	Register trademarks, maintain data, and resolve disputes.
Merchandise Marks Act, 1941 (Act No. 17 of 1941 (Unauthorized Use of State Emblems Act, No 37 of 1961)	Prevent and enforce the unauthorized use of state emblems.
Patents Act, 1978 (Act No 57 of 1978)	Register patents, maintain data, publish patent journal, and administer Court of Commissioner of Patents.
Designs Act, 1993 (Act No. 195 of 1993)	Register designs, maintain data, and resolve disputes.
Copyright Act, 1978 (Act No. 98 of 1978)	Provide non-binding advice to the public.
Registration of Cinematography Films Act, 1977 (Act No. 62 of 1977)	Register films, and maintain data

### 7.3 Policy Mandates

Aligned to the legislation listed above, the CIPC derives its policy mandate from the policies of its principal department, *the dtic*, and SA government in general.

The key policies and strategies of the SA government and *the dtic* relevant to the CIPC are as follows:

Table A. 5: National Policies and Strategies Relevant to the CIPC

Policy/Strategy	Mandate
National Development Plan 2030	<p>The NDP 2030 is a long-term vision for the country, which provides a broad strategic framework to guide key government choices and actions and focuses on the critical capabilities needed to transform the economy and society. The plan highlights that accelerated development in South Africa requires the active support of all citizens, leadership in all sectors that puts the country's collective interests ahead of narrow, short-term goals, and radically improved government performance.</p> <p>The NDP 2030 has two overarching goals:</p> <ul style="list-style-type: none"> <li>• Firstly, a reduction in the number of people who live in households with a monthly income below R419 per person from 39% to zero.</li> <li>• Secondly, a reduction in inequality as measured by the Gini coefficient, from 0.69 to 0.6.</li> </ul>

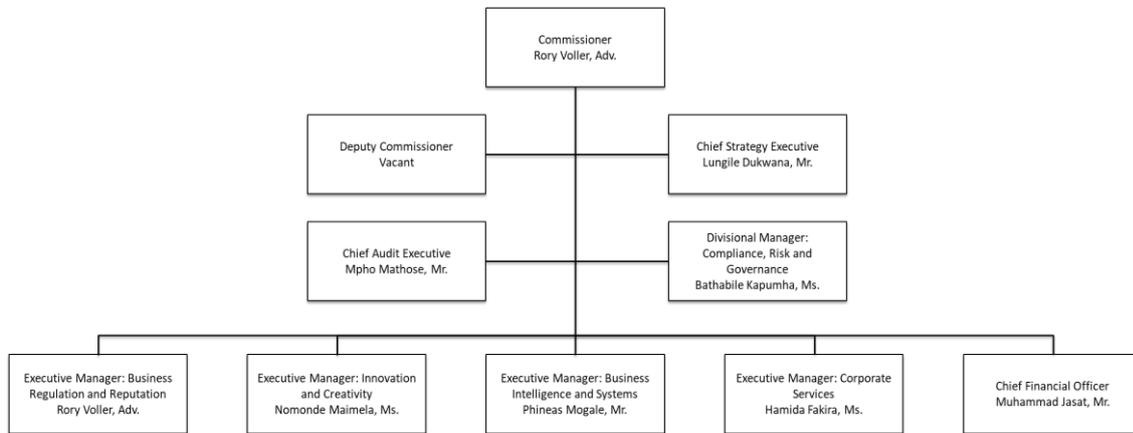
Policy/Strategy	Mandate
<p><b>Medium Term Development Programme (MTDP)</b></p>	<p>The Medium-Term Development Plan (MTDP) 2024 – 2029 is the government’s monitoring framework for the NDP Five-Year Implementation Plan during the electoral cycle. It reflects how government will measure its progress against the commitments made in the election manifesto of the governing party and the NDP Five-Year Implementation Plan. It is a basis for measurement of government performance and must be aligned with measurement of performance at the national, provincial, and local government spheres.</p> <p>MTDP 2042-2029 has three (3) strategic priorities for which specific interventions and targets have been set:</p> <ul style="list-style-type: none"> <li>• <b>Priority 1:</b> Drive Inclusive growth and job creation</li> <li>• <b>Priority 2:</b> Reduce poverty and tackle the high cost of living</li> <li>• <b>Priority 3</b> Building a capable, ethical, and developmental state</li> </ul>
<p><b>The Reimagined National Industrial Policy</b></p>	<p>This new Industrial Policy improves on previous iterations by placing coordination and new industries at the core of our efforts to drive growth, job creation and inclusivity.</p> <p>It is anchored on the decarbonisation, diversification and digitalisation of the South Africa economy. The government has prioritised climate change mitigation policies and green industrial development in order to move toward a low-carbon economy. Therefore, the consideration of economic and environmental factors is at the centre of industrial development.</p> <p>The decarbonisation of the South African includes beneficiation of critical minerals, which are essential for climate change mitigation, energy transition and low-carbon future, sustainable development, and technological development. According to World Bank, the worldwide minerals industry is estimated to be worth \$1 trillion, more than 2.5 times the size of the South African economy. It is projected to reach \$1.5 trillion by 2030 and \$3 trillion by 2040. South Africa must take advantage of that projected growth, mainly because the country is endowed with over 50 mineral commodities and boasts the world’s biggest share of manganese and platinum reserves as well as biggest reserves of chrome. Critical minerals essential for the production of clean energy technologies, such as wind turbines, solar panels, batteries, green hydrogen, fuel cells and electronic components in consumer goods. Manganese is a key component of lithium-ion batteries.</p> <p>For South Africa to take advantage of this boom, incentives, investments, regulatory reforms and partnerships to encourage value-addition to the local economy and beneficiation of the country’s mineral exports to boost growth and employment are important. The diversification of the economy should centre on de-risking the reliance on the exports of the mining value chain and pursuing the identification and diversification of a set of frontier products with a global demand. The manufacturing of components and assembling should be part of the industrial diversification strategy.</p> <p>Industrial policy must also facilitate the acceleration of the digitalisation of South Africa’s economy. This area has multiplier effects in terms of economic growth, competitiveness and skills development. Some of the outputs linked to the digitalisation of the economy are internet connections, construction of data centres, cloud computing, leveraging of artificial intelligence and expansion of services. Regulatory reforms, incentives and support for start-ups are critical in this area as well.</p>

Policy/Strategy	Mandate
	In this context, the state plays multifaceted but linked roles to promote industrialisation through macro and fiscal policies, incentives, trade policy, procurement, innovation and technology policies, education and skills policies, and regulations amongst others.

## 8. Organisational Structure

**Figure A. 4: The CIPC Organisational Structure**, below depicts the CIPC’s organisational structure at Executive level.

Figure A. 4: The CIPC Organisational Structure



## PART B: PERFORMANCE INFORMATION

### 1. Overview of the CIPC's Performance

#### 1.1 Service Delivery Environment

The 2024/25 financial year marked a period of significant transformation in the Companies and Intellectual Property Commission (CIPC)'s service delivery environment. This period was shaped by both domestic and global developments, including legislative reforms, economic recovery efforts, digital transformation, and international engagements.

The external environment shaped both the demand for the Commission's services and its operational posture:

- Global economic slowdown, high interest rates, and geopolitical tensions, such as the Russia-Ukraine conflict and instability in the Middle East, affected investor confidence and demand for business registration services. However, this also heightened the need for regulatory certainty, transparency, and ease of doing business.
- Rise in intangible assets—such as software, brands, and green innovations—made IP a core enabler of value creation and competitiveness. This required the CIPC to enhance its IP services and aligning with WIPO treaties to strengthen cross-border protection mechanisms.
- Regulatory fragmentation globally—amid growing tensions between major economies – necessitated greater harmonisation efforts within Africa. The CIPC is well placed to lead in regulatory standardisation across the continent.
- Emerging technologies such as AI, block chain, and digital identity systems continued transforming corporate governance. The CIPC had to embraced these by investing in automation, preparing for real-time compliance monitoring, and contributing to regional regulatory discussions. The CIPC transitioning toward predictive analytics and smart monitoring tools to proactively flag compliance risks, is necessary to further the business and IP protection regulatory system.
- The growing focus on Environmental, Social, and Governance (ESG) disclosure in capital markets has influenced corporate reporting expectations. The CIPC's adoption of mechanisms for integrating ESG data collection into its registry services to support sustainable investment is key to keeping up with international standards.
- Emphasis on anti-money laundering (AML) and corporate transparency globally, drove the need for stricter compliance monitoring. ESG and sustainability reporting is becoming mandatory across jurisdictions, pushing the CIPC to innovate in corporate disclosures and standards enforcement.
- South Africa remained below the 3.6% GDP growth target, with persistent structural constraints such as energy instability, and high youth unemployment. The Trillion Rand Investment Growth Plan remained central, demanding improved investor confidence, efficient registration systems, and stronger enforcement of corporate governance.
- South Africa's evolving industrial policy and investment strategies, as outlined in the Medium-Term Development Plan (MTDP), also placed increased emphasis on local

manufacturing growth, and IP protection – making the CIPC’s role central in enabling industrialisation and entrepreneurship.

- The CIPC became central to *the dtic*’s MTDP strategic interventions especially in facilitating ease of doing business and protecting IP. Integration with national systems (e.g., SARS, UIF, CSD) not only enhances efficiencies in integrated business services; it also enables better oversight, data-sharing, and a whole-of-government service delivery model.
- Fraud and corruption, particularly during the state capture era, severely impacted South Africa’s public institutions. The Zondo Commission uncovered widespread misconduct by public officials and private entities. This called for amendments in legislation to improve corporate accountability and prevent future corruption.

In response to the global and domestic landscape, the CIPC continued to strengthen its role as a key enabler of economic growth, governance, and innovation in South Africa. The CIPC continued to play a pivotal role in facilitating formal economic participation through its core services of business and intellectual property (IP) registration, maintenance of company records, and enforcement of compliance.

- The Commission registered 488 355 number of new companies and 5 622 co-operatives, and expanded access to its services through enhanced digital platforms, mobile registration units, and strategic partnerships, particularly benefiting SMMEs and entrepreneurs in underserved areas
- In advancing economic governance and sustainability, the CIPC supported amendments to the Companies Act, with focus on improving transparency and accountability. Key reforms included the operationalisation of the **Beneficial Ownership Register** and enforcing compliance to the same, which strengthens efforts against money laundering and illicit financial flows, aligning South Africa with global transparency standards.
- The Commission also deepened its commitment to **Environmental, Social, and Governance (ESG)** principles, initiating mechanisms to enhance ESG-related disclosures and reporting by companies, in alignment with national and international sustainable development goals.
- Within the IP domain, the CIPC accelerated **automation of trade mark, patent, and design registration processes**, significantly improving turnaround times and accessibility for inventors, SMMEs, and creative entrepreneurs. A focus on green and digital innovation ensured that emerging technologies and environmentally sustainable products are better protected.
- Local IP filings amounting to 5202 patent registrations, 571 design registrations, and 10353 trade mark registrations.
- The CIPC’s enforcement function was significantly enhanced through collaborative operations with law enforcement agencies, resulting in increased **counterfeit goods raids** and stronger action against IP infringement. It also strengthened regulatory oversight over **collecting societies**, ensuring fair and transparent distribution of royalties to rights holders in the creative industries.

Key service delivery highlights included:

- **Implementation of expanded digital registration and filing services**, including mobile platforms, self-service kiosks, and improved customer interfaces.
- **Integration of ESG into XBRL reporting** for improved financial transparency and compliance, with ongoing regional collaboration to promote standardisation and capacity-building.
- **Acceleration of automation initiatives** in both IP and corporate registry services, leading to improved efficiency, reduced manual processing errors, and enhanced user experience.
- **Advances in cybersecurity infrastructure**, reinforcing trust and safeguarding sensitive data across digital platforms.
- **Strengthened support for SMMEs**, through simplification of registration processes, targeted outreach, and facilitation of access to business advisory and funding opportunities.

These achievements reflect the CIPC's continued evolution as a modern, responsive, and strategically aligned regulator contributing meaningfully to inclusive economic development, innovation, and investor confidence—both nationally and globally.

Despite progress, several challenges impeded optimal service delivery:

- **System downtimes and legacy ICT constraints** affected service availability at times. In response, the CIPC initiated phased infrastructure upgrades and adopted cloud-based backup systems to enhance system resilience.
- The **complexity of modern IP rights**—including data-driven innovations and AI-generated content—created regulatory gaps. The CIPC has commenced research and benchmarking to guide future legislative amendments and capacity development.
- **Inequities in access** to digital platforms remained a concern for historically disadvantaged users. To address this, the CIPC continued to its footprint with partnerships with community access points, the Self-Service Centres and provincial government offices.
- **Increasing sophistication of economic crimes**, including identity theft and fraudulent company registrations, prompted enhanced verification protocols and collaboration with law enforcement agencies.

In summary, the CIPC's service delivery environment was shaped by a convergence of global uncertainty, technological change, and increased demand for inclusive economic growth. The Commission responded with agility, expanding digital services, strengthening institutional frameworks, and aligning strategically with broader government initiatives to promote investment, innovation, and regulatory harmonisation. Continued modernisation and stakeholder collaboration will be key in overcoming structural challenges and realising the CIPC Vision 2030.

## 1.2 Organisational Environment

The 2024/25 financial year was marked by a dynamic and evolving organisational environment at the CIPC. Internally, the Commission focused on strategic repositioning, digital transformation, institutional capacity-building, and operational realignment to enhance service delivery and stakeholder responsiveness. These initiatives were implemented within the context of broader public sector shifts, including new policy directions from the *the dtic* aimed

at advancing economic recovery, industrialisation, and investment promotion. While internal leadership and operational stability were maintained, the CIPC had to continuously adapt its planning and execution processes to align with evolving national priorities and external directives.

## Leadership, Governance, and Strategic Alignment

The CIPC maintained stability in its executive and senior management structure throughout the 2024/25 financial year, with key leadership positions firmly in place. This internal consistency provided a strong foundation for navigating an otherwise dynamic external governance environment. The establishment of the Government of National Unity (GNU) and the appointment of a new Minister of Trade, Industry and Competition introduced new strategic imperatives that required the organisation to remain agile and responsive.

In response to evolving priorities from the *the dtic*, the CIPC was required to realign its strategic focus to support the revised Medium-Term Development Plan (MTDP) and the national 10-Point Plan economic strategy. The organisation faced multiple requests to revise plans, outline programme contributions to economic recovery, and participate in broader sectoral repositioning efforts. These iterative engagements extended planning cycles and delayed implementation timelines, with normalisation only achieved in the final quarter of the year (March 2025), following clearer articulation of policy priorities.

Amidst these shifts, the CIPC continued to advance its long-term strategic agenda through the implementation of the CIPC Vision 2030 and Beyond (V30B) Strategy. This strategy envisions the transformation of the organisation into a modern, technology-enabled, investor-friendly regulator that is aligned with national development goals. Key focus areas included:

- Institutionalising performance management across all organisational levels to reinforce alignment between strategic intent and operational delivery;
- Strengthening the Strategy, Planning, Monitoring and Evaluation (SPM&E) function to enhance oversight, tracking, and impact reporting;
- Embedding a results-driven culture by clarifying accountability structures and ensuring performance transparency.

To support these strategic ambitions, the CIPC continued to refine its operating model and initiate structural improvements aimed at enhancing cross-functional collaboration and execution discipline. These internal efforts positioned the organisation to respond more effectively to both its regulatory mandate and stakeholder expectations.

## Digital Transformation and Operational Efficiencies

Digitalisation remained a key lever in improving efficiency, transparency, and customer experience. The CIPC's automation efforts continued across key functional areas:

- Expansion of **online self-service platforms**, reducing turnaround times for core services such as company registration and IP filings.
- Rollout of **XBRL** for streamlined financial reporting and improved compliance data analytics.
- Enhanced use of **digital identity verification tools** to combat fraud and support secure digital transactions.

- Investment in **cybersecurity frameworks** to protect critical data and infrastructure.

These innovations improved service resilience, particularly amid heightened demand for remote services and digital accessibility.

### Human Capital and Institutional Capacity

Organisational morale remained steady, supported by continued engagement with staff and investment in training, performance development, and internal communication platforms.

The CIPC recognised that sustainable delivery of its mandate rests on empowered and future-ready human capital. Key developments included:

- Ongoing implementation of the **Human Capital Strategy**, with a focus on attracting and retaining specialised skills in law, finance, ICT, and IP.
- Investment in **capacity development and digital skills training** to equip staff to operate in a modern, tech-driven regulatory environment.
- Promotion of a **high-performance culture**, underpinned by improved performance management systems and organisational wellness programmes.

Challenges such as limited technical capacity in emerging areas (e.g., AI regulation, ESG disclosure, and IP valuation) were acknowledged. To address this, the CIPC is continuing building these capabilities internally and exploring knowledge partnerships.

### Governance, Risk and Compliance

Sound governance remained central to the CIPC's organisational maturity. Key interventions included:

- Strengthening of **enterprise risk management** to mitigate emerging risks related to cybercrime, digital transformation, and regulatory complexity.
- Enhancement of **internal audit and compliance systems** to ensure accountability and transparency in line with the PFMA and King IV principles.
- The CIPC continues to receive unqualified audit opinions, indicating adherence to PFMA and Treasury Regulations.
- Regular review of policies, and processes to support operational excellence and compliance.

### Change Management and Stakeholder Engagement

Recognising the complexity of organisational transformation, the CIPC advanced its **change management programme** to embed new ways of working, improve staff communication, and ensure stakeholder buy-in. The institution also deepened its stakeholder engagement through:

- Collaborative initiatives with **business chambers, academia, and IP practitioners**.
- Participation in **continental forums**, positioning the CIPC as a thought leader in regulatory reform.

In conclusion, during the reporting period, the CIPC made significant strides in modernising its internal operations, strengthening its workforce, and aligning institutional frameworks with strategic objectives. While challenges remain, particularly in sustaining change momentum and bridging capacity gaps in new regulatory frontiers, the organisation's foundations for

innovation, compliance, and inclusive service delivery have been strengthened in pursuit of Vision 2030 and Beyond (V30B).

### 1.3 Progress Towards Achievement of Institutional Impact Statements, Outcomes and Outputs

This is an assessment of the CIPC's performance in realizing its Vision 2030 and Beyond (V30B) Strategy, Medium-Term Development Plan (MTDP), and alignment with the 10-Point Economic Strategy Plan towards supporting South Africa's 3.6% economic growth target:

#### Realisation of Vision 2030 and Beyond Strategy

- **Strategic Modernisation:** the CIPC is transitioning from a compliance-focused to a value-creating regulator, driven by automation, AI, and data-centric services.
- **Service Innovation:** 100% online registration platforms for companies and IP services have broadened access, reduced turnaround times, and boosted formalisation.
- **Global Influence:** Collaboration with WIPO and regional bodies positions the CIPC as a thought leader in global IP and corporate regulation standards.
- **Transparency Initiatives:** Implementation of Beneficial Ownership disclosure enhances integrity in the business ecosystem.
- **Digital Inclusion:** Many rural SMMEs and entrepreneurs still lack access or capability to benefit fully from digital services.
- **Data Utilisation:** While systems collect valuable regulatory data, analytical use to influence policy and risk profiling is still developing.
- **Capacity Constraints:** Institutional agility is sometimes limited by slow internal process reform and constrained ICT or HR capacity. Enhanced execution of transformation and impact measurement strategies is now needed.

#### Contribution to the Medium-Term Development Plan (MTDP)

- **Investment Climate Reform:** By automating services and reducing red tape, the CIPC is facilitating ease of doing business and investor confidence.
- **SMME Development:** Through streamlined processes, the CIPC supports informal-to-formal transition, contributing to enterprise growth.
- **Decent Work:** Indirectly supports job creation by enabling business formation and IP commercialisation—key MTDP pillars.
- **Spatial Economic Equity:** Limited targeted interventions in underserved regions—more active outreach needed.
- **Localisation and Supplier Development:** SCM transformation remains compliance-driven rather than impact-focused.

CIPC's performance is contributory but not yet catalytic in achieving the MTDP outcomes. More coordinated efforts with other economic departments and agencies could accelerate delivery.

#### Support for the 10-Point Economic Strategy and 3.6% Growth Target

- **Growth Contribution:** While not a direct economic actor, the CIPC's regulatory role enables the conditions for growth, particularly:
- Reducing start-up and formalisation barriers.
- Increasing investor trust through transparency.
- Protecting intangible assets and promoting innovation.

However, to fully support the 3.6% target, the CIPC must now:

- Use registry and compliance data more strategically to advise economic policy.
- Strengthen its role in economic cluster.

During the period under review, the CIPC continued to implement its Strategic Plan and V30B agenda by pursuing outcomes and outputs that contribute to its institutional focus areas. Significant progress was recorded in enhancing regulatory excellence, promoting ease of doing business, reinforcing investor confidence, and supporting third-party stakeholders with reliable data and insights. Below is specific output under each strategic focus area:

### Focus Area 1: World-Class Regulator

**Outcome:** Improved organisational efficiency, regulatory agility, and service excellence.

#### Outputs & Key Progress:

- Continued roll-out of **automation initiatives** across company and IP registration processes, including improved turnaround time for registrations and amendments.
- Enhanced **compliance and enforcement mechanisms**, resulting in an increase in non-compliance case resolutions and deeper inter-agency collaborations (e.g., SARS, FIC, SAPS).
- **Cybersecurity infrastructure** was strengthened, reducing system vulnerabilities and securing sensitive business and IP data.
- Internal operational excellence initiatives and quality management systems will be enhanced to support a high-performance culture.

### Focus Area 2: Ease of Doing Business

**Outcome:** Enhanced accessibility reduced administrative burden, and faster turnaround in business and IP processes.

#### Outputs & Key Progress:

- The **BizPortal** platform was optimised to facilitate **one-day business registration** with integrated services from SARS, UIF, and CSD.
- Most **registrations** were processed via **online, paperless platforms**, significantly reducing processing time and improving client experience.
- Support for **spaza shop and informal sector formalisation** was provided, demonstrating the potential for inclusive economic participation.
- The CIPC participated in **intergovernmental ease-of-doing-business reform initiatives**, contributing to national rankings and red tape reduction.

### Focus Area 3: Investor Confidence

**Outcome:** Transparent, predictable, and trusted regulatory environment for investors.

#### Outputs & Key Progress:

- The continued deployment of **XBRL reporting** enhanced financial transparency and compliance monitoring, Annual Financial Statements submitted via the platform.

- **Intellectual Property rights** were strengthened through faster turnaround in IP registration and alignment with international protocols (WIPO treaties, regional IP frameworks).
- South Africa's IP Policy in 2018 initiated critical Patent and Designs Legislative Reforms. By 2021, the Patent and Designs Amendment Bills advanced to Cabinet, addressing the outdated Patent Act. Key reforms include Substantive Search and Examination (SSE) to ensure patents comply with TRIPS Flexibilities, enhancing access to medicines and preventing unwarranted monopolies.
- The CIPC has integrated the Experiential Learning Programme (ELP) with patent and design registrations, aligning with the IP Policy's Phase I, strengthening the patent system. The SSE ELP trained Patent Examiners and interns, enhancing the CIPC's capacity to enforce IP laws
- The CIPC contributed to **investment promotion strategies** under the dtic's Masterplans and participated in **G20/B20 and AfCFTA dialogues** to shape investor-centric reforms.

#### Focus Area 4: Support for Third-Party Decision-Making

**Outcome:** Access to reliable, timely and relevant corporate and IP information by regulators, researchers, investors, and policy makers.

#### Outputs & Key Progress:

- High-quality, structured data was made available through **XBRL, the CIPC databases, and business intelligence dashboards**, supporting analytics and informed decision-making by third parties.
- Improvements to the **CIPC disclosure and reporting systems** enhanced access to beneficial ownership data, company profiles, and IP registries.
- Data requests from other regulators, research institutions and commercial users increased are attended to, demonstrating growing trust in the CIPC's data ecosystem.

The CIPC's progress during the reporting period reflects its commitment to becoming a world-class, investor-friendly, and data-driven regulator. While significant strides have been made, the institution remains focused on addressing capacity gaps, modernising frameworks for emerging technologies, and strengthening partnerships to maximise its impact across the economy.

### 1.4 Key Policy Developments and Legislative Changes

During the 2024/25 financial year, the CIPC operated within a dynamic legislative and policy environment that significantly influenced its regulatory mandate, compliance obligations, and service delivery priorities.

A notable legislative milestone was the promulgation and implementation of the Companies Amendment Act, which introduced critical changes to promote transparency, enhance corporate governance, and align South Africa's company law with evolving international standards. Key provisions that came into effect include:

**Mandatory Disclosure of BO:** All entities registered with the CIPC are now required to file and maintain up-to-date records of their beneficial ownership. This legislative shift aims to combat financial crimes such as money laundering, tax evasion, and illicit financial flows. The CIPC, as the appointed custodian of the Beneficial Ownership Register, enhanced its digital infrastructure to support secure and efficient BO disclosures, positioning South Africa in compliance with Financial Action Task Force (FATF) recommendations.

**Enhanced Financial Transparency:** Amendments now compel certain categories of companies to publicly disclose executive remuneration, adding a layer of accountability in line with environmental, social, and governance (ESG) expectations. The CIPC began integrating these disclosures into its annual return processes and stakeholder engagements.

**Strengthening of Directors' Accountability:** The amended Act tightens the duties and responsibilities of company directors, introducing clearer standards for conduct, conflict of interest disclosures, and consequences for non-compliance. The CIPC continued to raise awareness and provide guidance to support companies' understanding of these requirements.

In addition to the Companies Act amendments, the CIPC contributed to broader policy work led by the Department of Trade, Industry and Competition (the dtic), particularly in:

- The finalisation of a draft Intellectual Property (IP) Policy Implementation Framework, with emphasis on the protection of indigenous knowledge systems and enhanced IP enforcement measures.
- Support for ESG integration into corporate regulatory instruments, particularly with respect to sustainability reporting, green innovation, and circular economy practices.

These developments collectively advanced the CIPC's transformation into a modern, transparent, and responsive regulator. No adverse policy or legislative changes were experienced during the reporting period that negatively affected the Commission's operations.

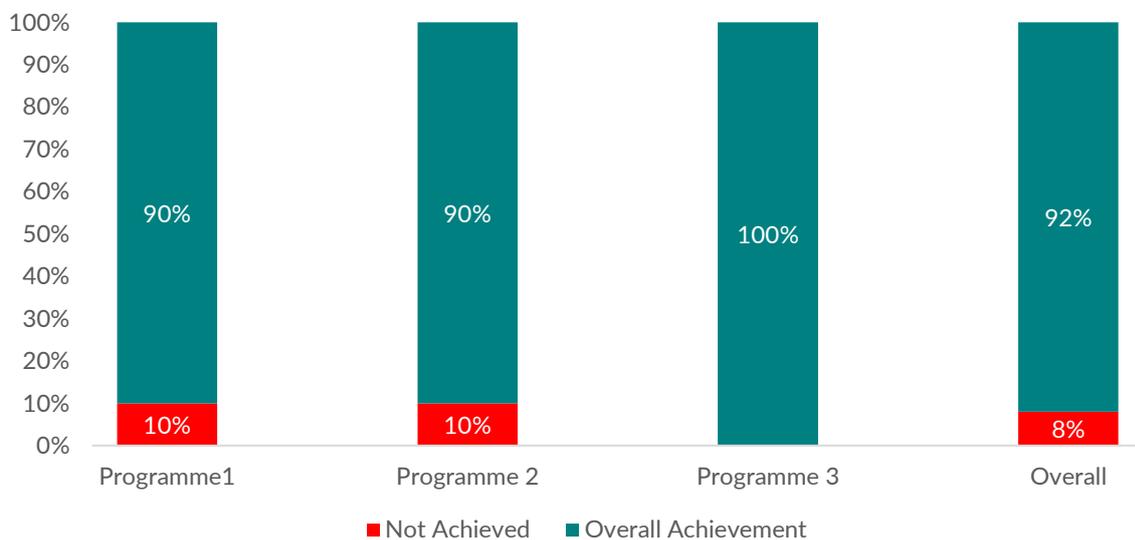
## 2. Performance Information by Programme

The CIPC has implemented three (3) programmes responsible for carrying out its mandate and the realisation of strategic outcome-oriented goals, strategic objectives, and targets:

- Programme 1: Service Delivery and Access
- Programme 2: Innovation and Creativity
- Programme 3: Business Regulation and Reputation

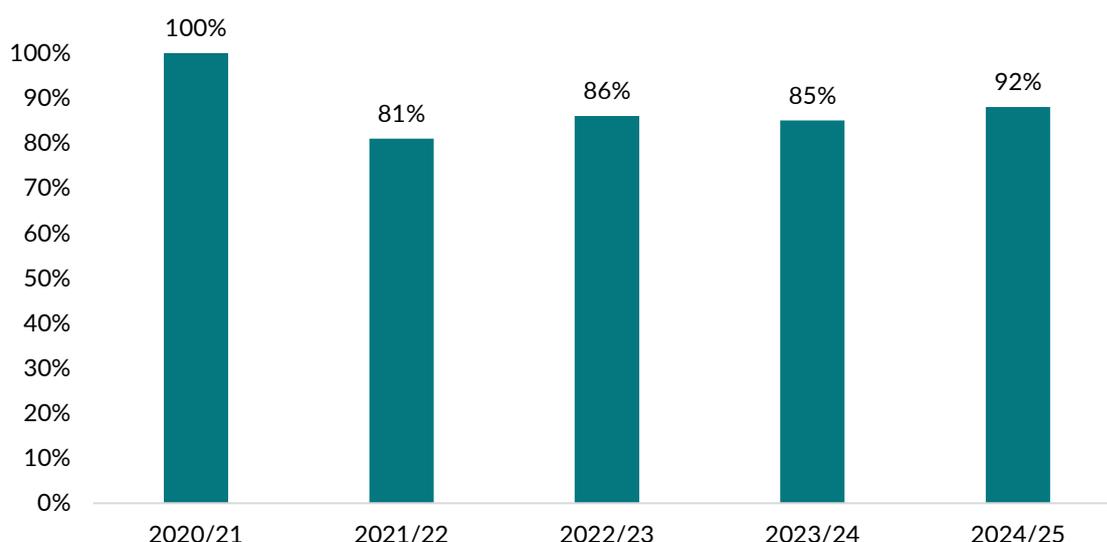
The CIPC's overall performance in terms of the APP was 92%, i.e. 23 out of 25 KPI output targets achieved. Programme 1 contributed 9 out of 10, Programme 2, 9 out of 10, and Programme 3, all 5 (five) output targets achieved. This is represented in **Figure B. 1: CIPC Overall Performance and Programmatic Performance** below.

Figure B. 1: CIPC Overall Performance and Programmatic Performance



Further, the table below depicts the CIPC's overall performance over the past five (5) years.

Figure B. 2: Overall Performance Comparison over a Period of Five (5) Years



## 2.1 Programme 1: Service Delivery and Access

### 2.1.1 Purpose

The purpose of Programme 1: Service Delivery and Access, is to promote better access to - and service delivery by - the CIPC, ensuring that our access channels are secure and easily accessible to all, that the institution has sufficient and appropriate organisational resources to deliver the best possible service, and that operational excellence is established in all areas of the organisation.

The following is a table of sub-programmes:

Table B. 1: Table of sub-programmes

Sub-programmes	Divisions	Business Units
<b>1. Broader Office of the Commissioner</b>	a) Innovation and Collaboration	(i) Innovation and Collaboration
	b) Strategy	(i) Strategy, Planning and Monitoring (ii) Operational Excellence (iii) Strategic Communications
	c) Compliance, Governance and Risk	(i) Compliance, Governance and Risk
	d) Internal Audit	(i) Internal Audit
<b>2. Corporate Services</b>	a) Human Capital	(i) Human Capital (ii) Knowledge Centre (iii) Labour Relations and Employee Engagement
	b) Facilities and Security	(i) Facilities and Security (ii) Safety Management (iii) Disclosure
	c) Service Centres	(i) Service Centres
	d) Client Engagement and E-communications	(i) Client Engagement and E-communications
<b>3. Finance</b>	a) Finance	a) Financial Management

Sub-programmes	Divisions	Business Units
		b) Treasury
		c) Supply Chain Management
<b>4. Business Information and Systems</b>	a) Chief Technology Officer	(i) Process Engineering (ii) Infrastructure Development
	b) Enterprise Information Management	(i) Enterprise Information Management (ii) Information Assurance
	c) Enterprise Programme Management Office	(i) Enterprise Programme Management Office
	d) ICT Service Delivery	(i) Application Management (ii) Infrastructure Management (iii) Process Engineering

Institutional Outcomes Programme 1 contribute to are:

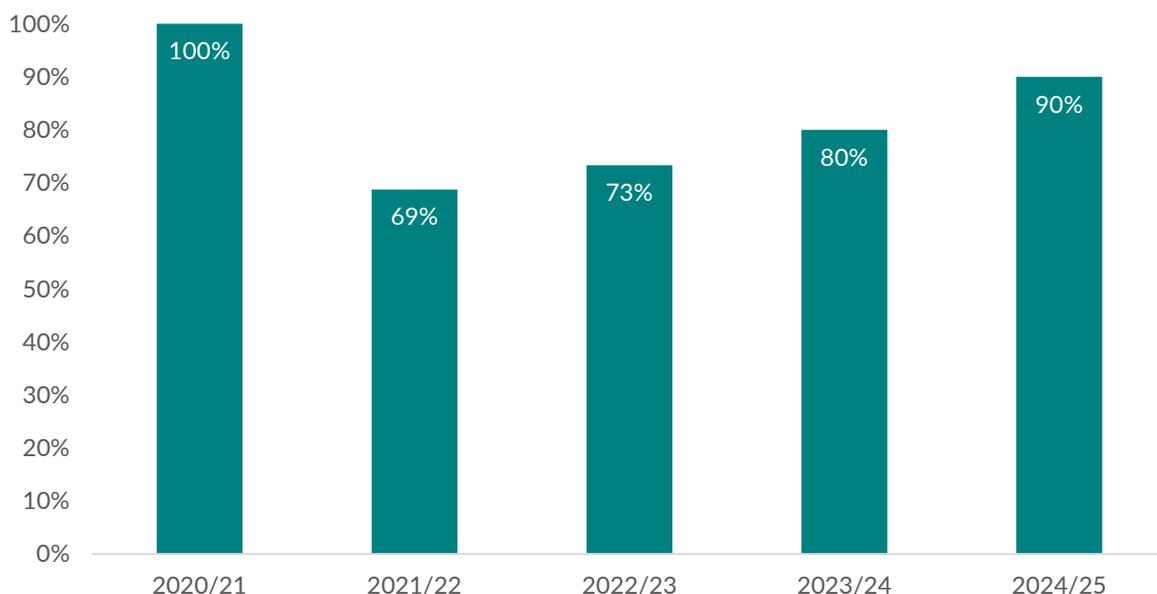
- Improved Organisational Competencies and Capabilities
- Improved Organisational Competencies and Capabilities
- Enhanced and seamless customer experiences with CIPC services
- A recognised value proposition and impact
- Reduced administrative compliance burden for companies and IP owners
- Businesses (and potential business owners) and innovators supported

### 2.1.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 1, 90% (9 out of 10) targets were achieved, as illustrated in **Figure B. 1: CIPC Overall Performance and Programmatic Performance** above.

Further, the table below depicts the CIPC's Programme 1 performance over the past five (5) years.

Figure B. 3: Trends analysis for the past 5 years on programme 1



## Service Delivery Statistics Highlights

### Achievements

#### **Youth Development and Skills Pipeline Creation**

During the reporting period, the CIPC successfully onboarded 54 interns across various departments, reinforcing its commitment to national youth empowerment and skills development.

The internship programme was designed to provide practical work exposure aligned with the organisation's strategic and operational objectives, while simultaneously cultivating a talent pipeline for future recruitment. This initiative underscores the CIPC's dedication to transformation and economic inclusion, equipping young graduates in key disciplines—including ICT, finance, law, communications, and strategy—with the professional readiness needed to thrive in the workforce.

#### **Reskilling of Staff**

To support the organisation's digital transformation agenda, the CIPC conducted comprehensive skills audits to assess and align workforce capabilities with strategic objectives. Additionally, targeted upskilling initiatives were implemented, equipping staff with essential competencies in data fundamentals, data governance, and financial analysis to enhance operational efficiency and drive innovation.

#### **Inclusive Procurement and Economic Transformation**

The CIPC has made significant strides in advancing economic transformation by substantially increasing procurement from B-BBEE-compliant businesses, thereby aligning with the government's broader agenda for inclusive growth. A considerable portion of the organisation's procurement spend was strategically directed toward black-owned, women-owned, and youth-owned enterprises, reinforcing its commitment to fostering inclusive economic development and empowering emerging businesses. These efforts directly support the objectives of the Broad-Based Black Economic Empowerment (B-BBEE) Act, promoting greater equity, enhanced access, and meaningful participation in the mainstream economy.

#### **Accelerated Supplier Payments**

The CIPC has consistently upheld its commitment to paying valid supplier invoices within 20 days, exceeding the National Treasury's stipulated 30-day requirement. This proactive approach underscores the organisation's dedication to fostering a supportive business environment, particularly for small, medium, and micro enterprises (SMMEs). By ensuring prompt payments, the CIPC enhances cash flow for these businesses, contributing to their sustainability and ability to retain jobs.

Furthermore, the early settlement of invoices reflects the CIPC's adherence to ethical supply chain practices and operational efficiency. It also highlights the organisation's broader role in stimulating economic activity through timely disbursements, reinforcing its commitment to responsible financial management and economic development.

#### **Financial Oversight and Governance**

The organisation has maintained a clean audit record from the Auditor-General for six consecutive years, reflecting its commitment to financial integrity and accountability. This

achievement underscores the effectiveness of its sound financial management practices and robust oversight mechanisms.

### **Digital Transformation**

Over the reporting period, the CIPC implemented several key enhancements to streamline services and improve efficiency. The BizPortal and iXBRL reporting system were upgraded to deliver an improved user experience while reinforcing transparency in financial reporting. Additionally, the automation of business registration and compliance services was expanded, reducing processing times and increasing accessibility for stakeholders. Further integration across digital platforms was also prioritized, ensuring seamless service delivery and a more cohesive user journey. These advancements underscore the CIPC's commitment to leveraging technology for greater operational effectiveness and customer satisfaction.

### **Advancement in Data Governance and Strategy**

The CIPC has developed a comprehensive Data Strategy designed to enhance data quality, accessibility, and governance across the organisation. In support of this strategy, several key data policies were drafted and approved, covering critical areas such as data management, governance, security, and privacy. These initiatives establish a strong foundation for a data-driven organisation, enabling more informed regulatory decision-making while ensuring compliance with the Protection of Personal Information Act (POPIA) and other relevant data protection regulations.

### **Client Access and Engagement**

The CIPC improved client access by introducing multiple secure service channels, including walk-in assistance and electronic communications, ensuring greater convenience and responsiveness. As part of our commitment to innovation, we piloted the use of AI-driven solutions, such as chatbots and AI-assisted customer service, to enhance efficiency and user experience. Additionally, we streamlined our call centre operations and ticketing systems, reducing processing times and ensuring faster resolution of client queries. These initiatives underscore our dedication to delivering seamless, modern, and client-centric services.

### **Infrastructure and Facilities**

The Commission made significant strides in modernizing its infrastructure and enhancing operational resilience. Key initiatives included upgrading physical offices and service centres to improve accessibility for clients and stakeholders. Additionally, the organisation bolstered its resilience by implementing improved backup power systems, ensuring uninterrupted service delivery amid challenges such as load shedding. Furthermore, the CIPC strengthened both disclosure protocols and physical security measures to safeguard sensitive information and maintain a secure environment for staff and visitors alike.

### **Human Capital and Knowledge Management**

The organisation enhanced employee engagement and fostered positive labour relations throughout the year. It also expanded access to internal learning and knowledge platforms, enabling staff to develop their skills and expertise more effectively. Additionally, wellness initiatives were introduced to promote employee well-being and sustain productivity across the workforce.

### **Governance and Risk Management**

- Reinforced compliance controls and oversight across divisions.
- Improved internal audit mechanisms.
- Strengthened enterprise risk management.

## **Innovation and Collaboration**

- Fostered internal innovation projects aligned to strategy.
- Established new partnerships with local and global organisations.

## **Challenges**

In the 2024/25 financial year, the Commission faced several capacity constraints and challenges, particularly concerning legacy systems, digital transformation, and operational efficiency.

### **Legacy Systems and Digital Transformation**

The CIPC's transition from traditional administrative processes to digital platforms like e-Services and BizPortal aims to enhance efficiency and reduce manual interventions. However, this shift is hampered by the persistence of legacy systems and the complexities involved in overhauling them. The integration of new technologies required significant adjustments, including staff retraining and system optimization, which were not fully realized by the end of the period.

### **Verification and Authentication Challenges**

To bolster data security and combat corporate malfeasance, the CIPC implemented multi-factor authentication for processes such as director amendments. While enhancing security, this measure introduced complications:

- Users encountered difficulties when outdated contact information prevented the receipt of One-Time Passwords (OTPs), necessitating prior updates to their profiles.
- Foreign directors faced additional hurdles, including the requirement for certified passport copies, which sometimes needed periodic re-verification, leading to delays and confusion.
- The new system's stringent requirements led to backlogs, especially when users attempted to bypass the updated processes by submitting applications through the old system, compelling CIPC to address these first to prevent data inconsistencies.

### **Dependency on External Systems**

#### **Load Shedding and Operational Disruptions**

South Africa's ongoing load shedding, particularly at Stage 6, severely impacted the CIPC's digital infrastructure. Power outages led to system downtimes, affecting services such as iXBRL filings and customer support. These disruptions not only delayed service delivery but also increased the risk of data breaches and operational inefficiencies.

### **Human Resource and Skills Constraints**

The shift towards a more IT-centric operational model revealed significant skills gaps within the CIPC. The organisation faced challenges in attracting and retaining qualified IT professionals, partly due to financial constraints that limited competitive remuneration. This shortage hindered the effective implementation and maintenance of new digital systems.

### **Backlogs and Processing Delays**

CIPC experienced notable delays in processing various applications, including company reinstatements and amendments. These backlogs were attributed to high volumes of

submissions, non-compliance with documentation requirements, and system inefficiencies. Efforts were made to streamline processes and reduce turnaround times, but challenges persisted throughout the period.

In summary, while the CIPC made strides towards modernizing its operations, the 2024/25 period highlighted significant challenges related to legacy systems, external dependencies, infrastructural vulnerabilities, and human resource limitations. Addressing these issues is crucial for enhancing the Commission's efficiency and service delivery in the future.

### 2.1.3 Programme 1: Performance Table

Table B. 2: Programme 1- Service Delivery and Access, Key Performance Indicators, Planned Targets and Actual Achievements

The dtic Focus Area	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Job Training Programs	Empowering Futures: Expanding Job Training Opportunities for Youth and SMMEs	Improved Organisational Competencies and Capabilities	Skills and training plan developed and implemented	Percentage completion of training initiatives	New indicator	New indicator	50%	70%	+20%	More training initiatives completed than planned
			Implementation of the CIPC internship programme	Number of interns in the employ of the CIPC	New indicator	New indicator	50	54	+4	Higher-than Expected Demand from Business Units
			Clean audit achieved	Number of AGSA Audit outcome reports	Clean Audit	Clean Audit	Clean Audit	Clean Audit	0	N/A
		Enhanced and seamless customer experiences with CIPC services	Implementation of Stakeholder and customer satisfaction report recommendations	Percentage average customer and stakeholder satisfaction	80%	80%	80%	77%	-3%	Query resolution not fully effective, inadequate system processes and client engagement
		A recognised value proposition and impact	Case studies of firms, workers, entrepreneurs,	Number of Case Studies demonstrating the impact of CIPC activities on	New Indicator	New Indicator	30	33	+3	There were more activities prepared as case studies.

The dtic Focus Area	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
			professionals, or communities impacted by CIPC activities	business and society						
Red Tape Reduction	Address Challenges in business rescue, integration of issues in e-commerce in the department	Reduced administrative compliance burden for companies and IP owners	Automation of CIPC processes	Number of CIPC Processes Automated	New indicator	New indicator	10	13	+3	Additional automation initiatives were requested and implemented during the financial year
Payment of Suppliers on time	Support Government procurement of Locally Manufactured Goods and Services.	Businesses (and potential business owners) and innovators supported	Timely payment of suppliers	Percentage of invoices paid within 20 days	New indicator	New indicator	80%	81%	+1%	Not provided
Transformation	Procurement from BBEE		Procurement from SA-based, B-BBEE compliant suppliers	Percentage of total procurement spend allocated to SA-based, B-BBEE compliant suppliers	New indicator	New indicator	100%	100%	0%	Not Applicable

The dtic Focus Area	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Streamlining Regulation	Address challenges in Business Rescue, Integration of issues in e-communication in the Department	A secure and controlled environment for data information exchange	CIPC Data Strategy developed	Number of drafts of the CIPC Data Strategy developed	New indicator	New indicator	1	1	0	N/A
			CIPC Data Policy developed	Number of quarterly progress reports indicating the stage of development of data policies	New indicator	New indicator	4	4	0	N/A

## 2.2 Programme 2: Innovation and Creativity Promotion

### 2.2.1 Purpose

Programme 2: Innovation and Creativity Promotion supports local innovation by maintaining accurate IP registries (patents, designs, films, and creative works) and providing relevant information to the public and state entities. It enforces IP laws by referring offenses to authorities, regulates royalty distribution via collecting agencies, and provides policy and legal advice on IP legislation and its alignment with international standards. The programme also registers patent attorneys, promotes IP awareness and education, monitors IP misuse, and conducts research to inform policy and support commercialisation and industrial development.

The following is a table of sub-programmes:

Table B. 3: Table of sub-programmes

Sub-programmes	Business Units
1. Innovation Support and Creativity	a) Patents and Designs Register
	b) Innovation Policy and Outreach
2. Creative Industries	a) Copyright and IP Enforcement
	b) Indigenous Cultural Expressions and Knowledge

Institutional Outcomes Programme 2 contribute to are:

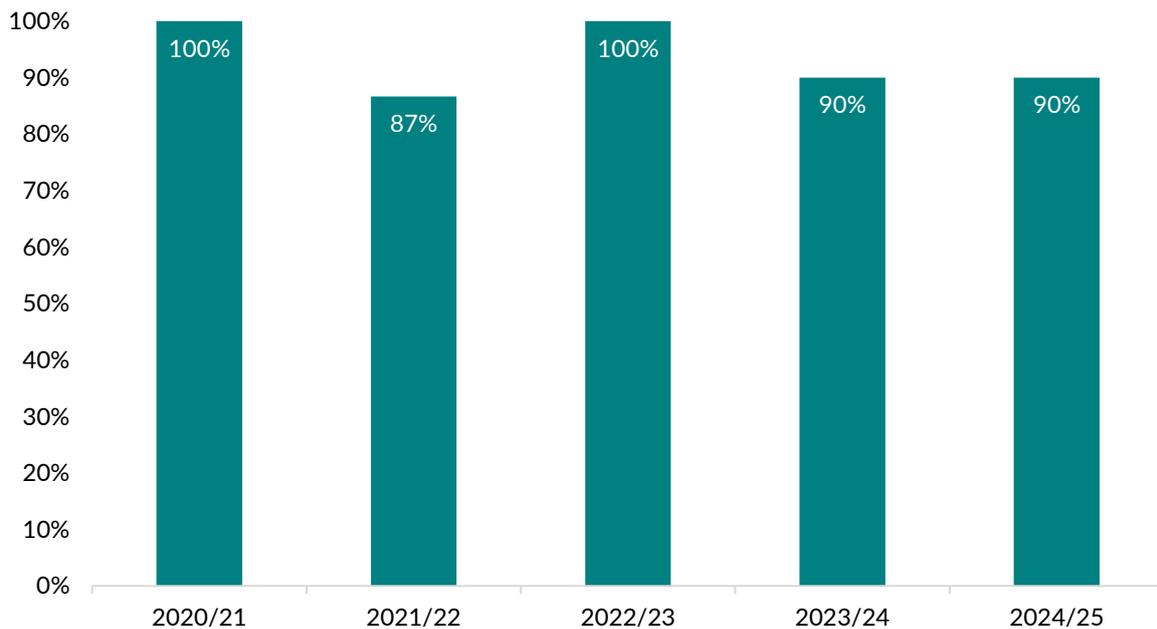
- Improved Organisational Competencies and Capabilities
- Improved Organisational Competencies and Capabilities
- Enhanced and seamless customer experiences with CIPC services
- A recognised value proposition and impact
- Reduced administrative compliance burden for companies and IP owners
- Businesses (and potential business owners) and innovators supported

### 2.2.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 2, 90% (9 out of 10) targets were achieved, as illustrated in **Figure B. 1: CIPC Overall and Programmatic Performance above**.

Further, the table below depicts the CIPC's Programme 2 performance over the past five (5) years.

Figure B. 4: Programme 2 Performance over a period of five years



### Service Delivery Statistics Highlights

CIPC Services	Volume	%of Transaction within SDS
Patent Applications	10 303	99.8%
Patent Registrations	6 120	100%
Patent Renewals	47 754	99%
Design Applications	1 443	99%
Design Registrations	1373	100%
Design Renewals	7 955	99%
Copyright in Film Applications	8	100%
Copyright in Film Registrations	19	100%

### Achievements

#### **Promotion of Innovation and Creativity through IP Awareness and Outreach**

The CIPC continued to champion **innovation and creativity** by promoting the **creation, protection, and commercialisation of intellectual property (IP)** as key drivers of economic growth and competitiveness. Through a variety of **educational and outreach initiatives**, the Commission raised awareness on the value of IP among youth, entrepreneurs, academic institutions, and the broader public.

Signature initiatives included the **IP Youth Awards**, which recognised innovative ideas and solutions developed by young South Africans; the **IP Summer School**, which provided intensive learning on IP rights and their commercial use; and the **World IP Day celebrations**, which spotlighted the role of IP in fostering national development. These initiatives helped build a broader understanding of IP, increased the number of filings, and supported the **commercialisation of home-grown innovations**, particularly among **SMMEs, women, and youth**.

## **Experiential Learning Programme (ELP), Training Initiatives, and Job Creation in Substantive Patent Search and Examination**

The CIPC's Experiential Learning Programme (ELP) was specifically aligned with the Substantive Search and Examination for Patents function, offering hands-on experience to graduates and students in the field of intellectual property, particularly in patent law and examination processes. The programme provided participants with practical exposure to patent searches, examination processes, and intellectual property rights, bridging the gap between academic learning and practical application.

To support the capacity building in the patent examination division, the CIPC also advertised 20 job opportunities, aiming to recruit qualified professionals and further strengthen its patent examination capabilities. In addition, the CIPC rolled out training initiatives for its existing patent examiners to enhance their technical knowledge, ensuring high standards in patent examination and improving the efficiency of the patent registration process.

## **Inventor Assistance Programme (IAP)**

The CIPC successfully implemented the **Inventor Assistance Programme (IAP)**, aimed at supporting individual inventors, especially from historically disadvantaged communities, with low-cost or free services in the **patent application process**. The IAP provides crucial services such as **patent searching, filing assistance, and legal support**, helping inventors navigate the complexities of intellectual property protection.

By enhancing access to patent protection for innovators who might otherwise be excluded due to financial barriers, the CIPC fosters **inclusive innovation** and contributes to the **growth of the national knowledge economy**. The initiative supports the **promotion of innovation** within the country, particularly in the **SME and grassroots inventor sectors**, strengthening the **intellectual property landscape** and encouraging creativity.

## **Environmental Recycling and Upcycling of Confiscated Counterfeit Goods**

In May 2024, the CIPC introduced an environmentally sustainable program to manage confiscated counterfeit goods. Seized items are recycled and upcycled into new products, such as children's toys and therapy tools, creating employment opportunities for small and medium enterprises and reducing environmental impact.

## **Improved IP Registration Systems**

The CIPC has enhanced its IP registration systems to ensure the secure and up-to-date maintenance of registries for patents, designs, and creative works. Additionally, portions of the patent and design registration process have been digitised, leading to greater accessibility and improved integrity of records.

## **Policy and Legal Advisory Contributions**

The Commission played a key role in shaping the national IP strategy and contributed substantively to proposed amendments to IP legislation. Additionally, the team actively engaged with international bodies such as WIPO and ARIPO to ensure South Africa's intellectual property framework remains consistent with global best practices

## **IP Enforcement and Rights Protection**

The CIPC worked closely with law enforcement agencies, including the South African Police Service (SAPS) and the National Prosecuting Authority (NPA), to refer cases of intellectual property infringement for prosecution. Additionally, proactive monitoring was conducted to identify and address the unauthorised use of IP rights, with a dedicated focus on safeguarding the interests of the creative industries.

### **Oversight of Royalty Distributions**

The CIPC effectively oversaw the distribution of R105.8 million in royalties, ensuring compliance with relevant legislation and regulations. This oversight involved monitoring the allocation of funds to rightful beneficiaries, promoting transparency and accountability in the management of intellectual property revenues. By ensuring proper distribution, the CIPC contributed to the sustainable development of the creative and innovative sectors, supporting the growth of the national economy.

### **Support for Innovation and Commercialisation**

Under the Innovation Policy and Outreach sub-programme, the CIPC actively promoted awareness of IP protection and commercialisation through targeted educational campaigns and outreach initiatives. These efforts aimed to equip innovators and businesses with the knowledge needed to safeguard and leverage their IP assets effectively.

### **Patent Attorney Registration**

The CIPC facilitated the registration of qualified patent attorneys who successfully passed the Patent Board Examination. This initiative contributed to reinforcing the standards of professional IP services, ensuring that innovators and businesses have access to skilled legal expertise in IP matters.

### **Research and Impact Analysis**

To support evidence-based policy development, the CIPC conducted research to identify gaps in IP registration trends and assess the economic impact of IP rights. The findings from these studies provide valuable insights to guide future strategies and enhance the IP ecosystem.

### **Challenges**

**Backlogs in IP Registrations:** Significant delays in processing applications for patents and designs due to limited human and technical capacity.

**Limited Public Awareness:** Many innovators, especially in rural and under-resourced areas, remain unaware of IP registration benefits and commercialisation pathways.

**Enforcement Constraints:** Limited enforcement capability and lack of specialised IP courts contribute to weak deterrence for infringement.

**Resource Constraints:** Inadequate funding and staffing for IP promotion, legal analysis, and enforcement activities hinder the full implementation of the programme.

## 2.2.3 Programme 2: Performance Table

Table B. 4: Programme 2 - Innovation and Creativity Promotion, Key Performance Indicators, Planned Targets and Actual Achievements

The dtic Focus Area	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Audited Performance 2024/25	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
Investment in innovation and commercialisation of Technologies	Addresses investment in innovation without clear alignment to any dtic output by creating a dynamic and competitive innovation ecosystem	Improved State capacity for patent regulation and integrity	Implementation of Experiential Learning Project (ELP) with the SSE team	Number of non-binding work products issued per examiner in line with SSE Experiential Learning	24	24	24	24	24	0	N/A
				Number of SSE training initiatives	4	4	4	4	6	+2	Training opportunity availed by the JPO
	Improved State capacity for patent regulation and integrity	Implementation of Experiential Learning Project (ELP) with the SSE team	Number of SSE Training Programmes developed	New Indicator	1	1	1	1	1	0	N/A
			Funding projects that develop innovative solutions in	Economic transformation through localisation	Inventor Assistance Programme (IAP) implemented	Number of IAP Review Committee meetings to	4	4	4	4	4

The dtic Focus Area	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Audited Performance 2024/25	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
	the form of new technologies and services to solve local, regional and global problems		Efficient and	screen applications							
				Number of Annual Status Reports tracking the status of paired applications	New Indicator	1	1	1	1	0	N/A
				Number of new permanent positions created through implementation of ELP the SSE Programme advertised	New Indicator	New indicator	20	20	25	0	N/A
<b>Impact Statement #3: Investor confidence in SA businesses and innovations</b>											

The dtic Focus Area	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Audited Performance 2024/25	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
	Addresses investment in innovation without clear alignment to any dtic output	Improved IP regulation compliance and royalty distribution environment for investment	Compliance with Regulations by Accredited Collecting Societies	Number of Annual audit reports on promoting compliance with regulations by Collecting Societies conducted by the CIPC	New Indicator	1	1	1	0	-1	The focus was shifted to tracking previous audit findings that had not been addressed, in order to enhance compliance.
			Efficient and Effective collection and distribution of royalties	Rm Royalties distributed by Collecting Societies to local musicians	R178,6m	R 100m	R 100m	R 100m	R105.8m	+R5.8m	More royalties collected than forecasted
Investment in innovation and Commercialisation of Technologies		Enhanced State capability to combatting IP crimes	Increase IP regulatory compliance monitoring capacity within Law Enforcement	Number of IP Enforcement Operations Reports which specify the impact on jobs and the investment environment	1	1	1	1	1	0	N/A

## 2.3 Programme 3: Business Regulation and Reputation

### 2.3.1 Purpose

The purpose of Programme 3: Business Regulation and Reputation is to enhance the reputation of South African businesses and the South African business environment by ensuring that the registers of corporate entities, their managers and their identity have integrity and that a culture of corporate compliance and high standards of governance, disclosure and corporate reputation are established. The programme also aims to provide policy and legal insight and advice on the co-ordination, implementation, and impact of the respective laws.

The following functions, amongst others, fall within this programme:

- maintaining registers of companies and close corporations, co-operatives, directors and delinquent persons, and Trademarks as well as company names and business names;
- accreditation of practitioners and intermediaries;
- educating business owners and practitioners on compliance with the legislation; and
- promoting and enforcing compliance with the legislation.

The CIPC is required to monitor compliance with certain requirements of the legislation, such as the submission of annual returns, the rotation of auditors and disclosures in terms of the financial reporting standards and the requirements for prospectuses. Furthermore, the CIPC investigates complaints and enforces the provision of the Companies Act, the Close Corporations Act, the Share Block Companies Act and the Co-operatives Act relating to governance and disclosure.

The Business Regulation and Reputation Programme also incorporates a focus on corporate policy and legal matters. This includes support for the prosecution of offences, the interpretation of laws, as well as the proposal of amendments to legislation and regulations. The function also entails continuously tracking international developments in the areas of corporate governance, disclosure, corporate registration and enforcement and Trademarks.

Complaints relating to Companies may be filed in writing with the CIPC. Upon receiving a complaint, the CIPC may resolve:

- not to investigate;
- to refer it to the Companies Tribunal or Accredited Agency or other appropriate regulatory authority; or
- to direct an investigator or inspector to investigate.

After receiving an investigation report the Commission may:

- excuse a respondent;
- refer the complaint to the Companies Tribunal;
- issue a notice of non-referral to complainant, advising the complainant of any rights to seek a remedy in court;
- propose that the complainant and any affected person meet with the Commission or with the Tribunal, to resolve matter by consent order;

- commence proceedings in a court in the name of the complainant if the complainant:
  - has a right to apply to a court; and
  - has consented to the Commission to do so;
- refer the matter to the NPA, or other regulatory authority, if the Commission alleges that a person:
  - has committed an offence in terms of this Act or any other legislation; or
  - has been issued a compliance notice in terms of section 171.

The following is a table of sub-programmes:

*Table B. 5: Table of sub-programmes*

Sub-programmes	Business Units
<b>1. Corporate Compliance and Enforcement</b>	a) Corporate Disclosure and Compliance
	b) Corporate Governance, Surveillance and Enforcement
<b>2. Corporate Registers</b>	a) Companies and Close Corporations (CCs)
	b) Co-operatives
	c) Directors, Members and Practitioners
	d) Trademarks
<b>3. Legal Policy and Outreach</b>	a) Corporate Education and Voluntary Compliance
	b) Corporate Legal and Policy Support

Institutional Outcomes Programme 3 contribute to are:

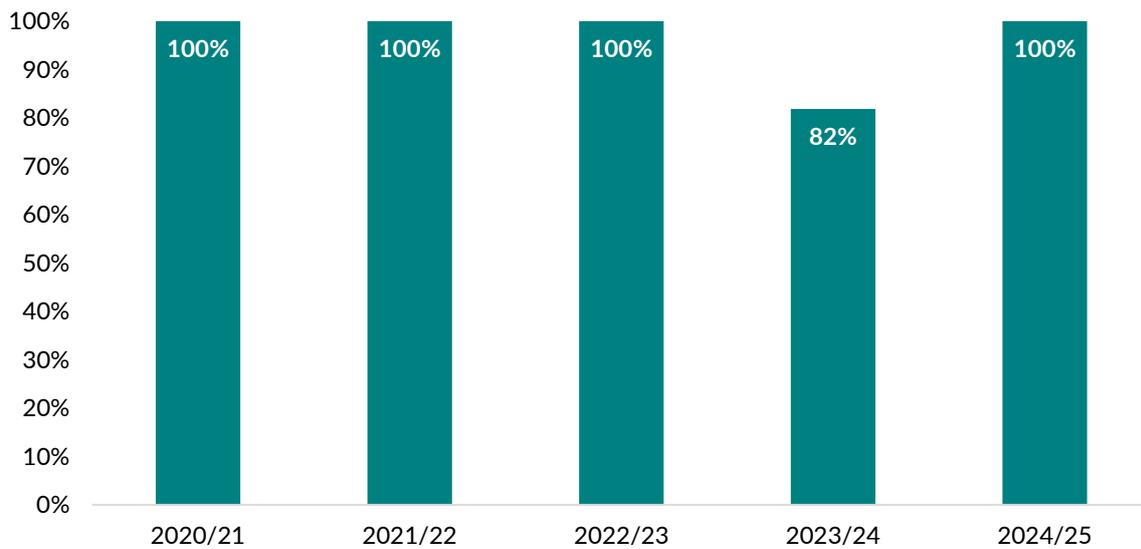
- Improved Organisational Competencies and Capabilities
- Improved Organisational Competencies and Capabilities
- Enhanced and seamless customer experiences with CIPC services
- A recognised value proposition and impact
- Reduced administrative compliance burden for companies and IP owners
- Businesses (and potential business owners) and innovators supported

### 2.3.2 Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Under Programme 3, 100% (5 out of 5) targets were achieved, as illustrated in **Figure B. 1: CIPC Overall Performance and Programmatic Performance** above.

Further, the table below depicts the CIPC's Programme 3 performance over the past five (5) years.

Figure B. 5: Programme Three Performance over a period of 5 years



### Service Delivery Statistics Highlights

CIPC Services	2024/25	%of Transaction within SDS
Trade Mark Applications	31 638	94%
Trade Mark Registrations	20 835	94%
Trade Mark Renewals	22 074	95%
Name Reservations	649 353	49%
Company Registrations	488 355	97%
Co-operatives Registrations	5 622	100%
Director Amendments	205 149	94%
Member Amendments	15 271	99%
Company Name Changes	43 635	84%
Company Financial Year End Changes	5 584	93%
BBBEE Certificates	293 377	100%

### Achievements

#### Legislative Developments

Companies Amendment Acts: The enactment of the Companies Amendment Act, 16 of 2024, and the Companies Second Amendment Act, 17 of 2024, introduced significant changes, including enhanced corporate governance requirements and mandatory Social and Ethics Committees for certain companies.

#### Compliance

- **Compliance Enforcement:** The organisation intensified its enforcement mechanisms, issuing compliance notices and conducting investigations to ensure adherence to the Companies Act, 2008, as amended.
- Enforcement efforts of Beneficial Ownership filing increased significantly in 2024/25 financial year where a 92% closure rate for investigations was achieved.
- During the reporting period, the CIPC conducted a total of 78 corporate education and awareness initiatives aimed at enhancing stakeholder understanding of the Commission's services and regulatory requirements.
- These sessions targeted a range of stakeholders, including entrepreneurs, SMMEs, corporations, and public institutions, covering key topics such as company registration, IP protection, beneficial ownership, and compliance obligations.
- The initiatives contributed to improving compliance levels, increasing the uptake of CIPC services, and supporting a culture of good governance and innovation in the business ecosystem.

### **Deregistration and Registrations**

- The CIPC undertook a significant enforcement action by deregistering over 800,000 companies and close corporations that failed to comply with Annual Return and Beneficial Ownership Declaration requirements. The initiative aimed to maintain an accurate and up-to-date companies register and to assist South Africa in meeting international compliance standards.
- **Company Registrations:** There was a surge of 17% in company registrations, from 402 559 2023/24 to 488 355 in 2024/25.

### **Transition to Automated Compliance Enforcement**

- The CIPC implemented automated processes for monitoring and enforcing compliance with Annual Return and Beneficial Ownership Declaration submissions. This transition reduced reliance on manual interventions and traditional notification methods, leading to a more streamlined and efficient compliance enforcement mechanism.

### **Foreigner Assurance Service**

- To ensure accurate documentation and identification of foreign nationals involved in South African companies, the CIPC introduced the Foreigner Assurance Service. This online service requires foreign nationals to submit certified copies of their passports or foreign identity documents for verification before engaging in company activities.

### **Enhanced Beneficial Ownership Compliance**

- Starting 1 July 2024, the CIPC mandated that all companies and close corporations file beneficial ownership declarations alongside their annual returns. The e-Services platform enforces this requirement by blocking annual return submissions lacking the necessary beneficial ownership information. Non-compliance may lead to penalties, including deregistration.

### **SMME Launch Program**

- In collaboration with the South African Chamber of Commerce and Industry (SACCI), the Chartered Institute for Business Accountants (CIBA), and UNISA's Inhlanyelo Hub, the CIPC launched the SME Launch initiative. This program offers comprehensive support to small and medium-sized enterprises (SMEs) through:
  - Business development mentorship
  - Access to accounting and tax training
  - Networking opportunities with over 20,000 businesses
- The initiative aims to reduce the high failure rate of SMEs and foster job creation by providing a stable foundation for business growth.

## **Challenges**

Challenges Faced by Programme 3: Business Regulation and Reputation are as follows;

### **Low Compliance Rates**

- Persistent non-compliance with Annual Return and Beneficial Ownership Declaration requirements.
- Deregistration of over 800,000 entities due to non-compliance, indicating systemic challenges.

### **Manual Enforcement Burdens**

- Reliance on manual processes for compliance monitoring and enforcement reduced efficiency and effectiveness.
- High workload and risk of administrative errors in manual processes

### **Technological Transition Challenges**

- Implementation of automated systems required change management and user adaptation.
- Initial system integration and operational stability presented technical obstacles.

### **Support Deficits for SMMEs**

- High SMME failure rate due to limited business development support and financial management capacity.
- Need for structured mentorship, training, and networking support to sustain SME compliance and growth.

### 2.3.3 Programme 3: Performance Table

Table B. 6: Programme 3 - Business Regulation and Reputation, Key Performance Indicators, Planned Targets and Actual Achievements

The dtic Focus Area (10-point Plan)	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
SMME's supported	Empowering Futures: Expanding Job Training Opportunities for Youth and SMMEs	Reduced compliance burden for SMMEs, companies, closed corporations, and corporates	Awareness initiatives aimed at SMMEs	Number of corporate education and awareness initiatives conducted	40	65	40	78	+38	Due to influx of invitations to webinars and events, as well as requests from CIPC business units to host webinars on specific subjects.
<b>Impact Statement #3: Investor confidence in SA businesses and innovations</b>										
Investments	Addresses investment without clear alignment to any dtic output. However, works toward enhancing South Africa's investment environment	Reputable business regulation environment which is conducive to investment and facilitation thereof	Pro-active Investigations in response to contraventions of Companies Act No 71 of 2008 on Companies identified on State Capture Commission Report	Number of Pro-Active Investigations in response to contraventions of the Companies Act No 71 of 2008 by Companies identified in the State Capture Report	New Indicator	3	6	9	+3	Preliminary investigation processes moved faster than anticipated, resulting in more matters being ready for investigation than initially planned. Hence more matters were investigated than initially planned

The dtic Focus Area (10-point Plan)	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
			Targeted proactive pre-investigations	Number of targeted proactive pre-investigations	New Indicator	5	4	20	+16	Data analysis was used to identify proactive investigations instead of using time-consuming manual processes. The use of data analysis resulted in timesaving, which led the team to be able to conduct more proactive investigations than initially planned
			Reports on Tracked Capital Raised through IPOs to promote regular tracking of investments	Number of Prospectus Reports (Quarterly and Annual Report)	New Indicator	4	4	5	+1	There was 1 report for Each quarter and a consolidated report for a year.
			Incorporation of ESG Taxonomy into our CIPC Base	Updated CIPC XBRL Taxonomy aligned with government	New Indicator	Gap Analysis Report on adoption of ESG	Incorporation of ESG Taxonomy in our Baseline	ESG Taxonomy incorporated in our Baseline	0	N/A

The dtic Focus Area (10-point Plan)	Contribution to 3.6% Growth Plan	Outcome	Output	Output Indicator	Audited Performance 2022/23	Audited Performance 2023/24	Planned 2024/25 Annual Target	Actual 2024/25 Performance	Deviation from Planned Performance to Actual	Reason for Deviation from Planned Performance to Actual
			Taxonomy as an initiative to address climate change	initiatives to address climate change			IFRS Taxonomy	IFRS Taxonomy		

### 3 Revenue Collection

Table B. 7: Revenue Collection related to Key Objectives of the Organisation

Programme / Activity / Objectives	2024/25			2023/24		
	Budget	Actual Amount Collected	(Over) / Under Collection	Budget	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Annual Returns	462 000	468 248	-6 248	466,538	509,746	-43,208
Companies	110 259	127 601	-17 342	100,447	94,885	5 562
Cooperatives	750	702	48	832	799	33
Data Sales / Disclosure	29 925	32 956	-3 031	25,165	28,247	-3,082
Trade Marks	32 244	30 076	2 168	30,695	30,858	-163
Patents and Designs	35 381	37 391	-2010	33,723	35,164	-1441
Copyright	6	11	-5	14	2	12
<b>Total Revenue</b>	<b>670 565</b>	<b>696 985</b>	<b>-26 420</b>	<b>657,414</b>	<b>699,701</b>	<b>-42,287</b>

## 4 Capital Investment

Table B. 8: Capital Investment, FY2023/24 FY2024/25

Programme / Activity / Objectives	2024/25			2023/24		
	Budget	Actual Expenditure	(Over) / Under Spend	Budget	Actual Expenditure	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Computer hardware	25 000	7 794	17 206	56,835	57,629	-794
Computer software	14 800	11 636	3 164	36,120	28,091	8,029
Furniture and equipment	400	36	364	100	-	100
Leasehold improvements	1 055	454	601	300	-	300
Safety and Security	2 700	-	2 700	6,100	-	6,100
<b>Total Expenditure</b>	<b>43 955</b>	<b>19 920</b>	<b>24 035</b>	<b>99,455</b>	<b>85,720</b>	<b>13,735</b>

## PART C: GOVERNANCE

### 1. Introduction

Corporate governance embodies processes and systems by which public entities are directed, controlled, and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, 2008, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and ran in tandem with the principles contained in the King's Report on Corporate Governance.

Parliament, the Executive, and the Accounting Authority of the public entity are responsible for corporate governance.

The governance structures of the CIPC promote independent judgement through its appointed committees, which comprise of the following:

- Audit Committee
- Risk and IT Committee

The Audit Committee includes a majority of members independent of the CIPC, ensuring objective decision-making in matters of governance, risk, compliance, and performance management of the Commission. The independence of the committee members helps to provide unbiased oversight and enhances the credibility of the governance processes.

Achieving a balance of power is crucial for effective governance, and CIPC has implemented this by distributing roles and responsibilities across various committees. The Audit Committee and the Risk and IT Committee are chaired by independent members, with additional independent professionals contributing their expertise. This distribution prevents any single group from dominating the decision-making process and ensures that diverse perspectives are considered. Such a balanced approach fosters a more comprehensive and inclusive governance environment.

The CIPC's governance also benefits from a holistic and integrated approach, which enhances collaboration and reduces redundancy. By integrating risk and IT functions within a single committee, CIPC ensures that related issues are managed cohesively. This approach facilitates better coordination and communication among committee members, leading to more effective governance outcomes. Cross-membership between committees further ensures that information flows seamlessly, promoting a unified governance strategy.

The Commission has established a Code of Conduct and ethics campaigns which contributes to fostering an ethical culture within the organisation. Regular declarations of interest by employees and suppliers ensure transparency and mitigate conflicts of interest, which is in line with the desired King IV outcome of an ethical culture.

The governance of the CIPC is marked by a commitment to strong oversight, balanced power distribution, and effective management of duties. Independent judgement is fostered through well-structured committees that include a mix of independent and internal members, ensuring diverse perspectives and unbiased decision-making. The distribution of roles across various committees prevents the concentration of power and promotes comprehensive oversight. Furthermore, the integrated approach to committee functions facilitates collaboration and reduces redundancy, enhancing the overall effectiveness of governance. These practices demonstrate a dedication to maintaining high standards of accountability and transparency.

### 2. Portfolio Committees

The following table list the portfolio meeting attended by CIPC officials in during the period under review

Table C. 1 Portfolio Committee Meetings

Date	Details	Attending Officials	Agenda / Areas of Risk Identified and CIPC Implementation Plans / Actions	Required Action
04 September 2024	Briefing on the CIPC Performance and Plans	Adv. Rory Voller. The CIPC Commissioner	Performance over the past 5 years, 2024/25 Plans	None

### 3. Executive Authority

The CIPC submits quarterly reports on its performance and activities to the Executive Authority as mandated. In the period under review, four (4) quarterly reports were submitted. These await approval from the Minister.

Table C. 2: Quarterly Performance Reports Submitted to the Executive Authority

Quarter Report Submission	Approval by the Minister	Comments & Required Action	Progress
Quarter 1 submitted	Awaiting approval	N/A	N/A
Quarter 2 submitted	Awaiting approval	N/A	N/A
Quarter 3 submitted	Awaiting approval	N/A	N/A
Quarter 4 submitted	Awaiting approval	N/A	N/A

### 4. Accounting Authority

The Audit and Risk Committee continues to play a pivotal role in ensuring compliance with financial regulations and governance obligations. This Committee remains thorough and rigorous in upholding sound financial controls and mitigating risks. Additionally, the Audit and Risk and IT Committees meet regularly throughout the financial year. The following table lists the meetings held during the 2024/25 financial year.

Table C. 3: Audit Committee and Risk & ICT Committees -

Committee	Ordinary Meetings Held	Special Meetings Held	Workshop	No. of Members	Names of Members
Audit Committee	4	2	0	7	Dr. L Konar – Chairperson; Ms. N Maharaj – Independent Member; Mr. C de Kock – Independent Member; Ms. G Ramphaka –

Committee	Ordinary Meetings Held	Special Meetings Held	Workshop	No. of Members	Names of Members
					Independent Member;  Dr. T Sethibe – Independent Member;  Adv. R Voller – Commissioner;  Ms. K Singh – the dtic (shareholder) representative
<b>Risk and IT Committee</b>	4	0	0	4	Dr. T Sethibe – Chairperson;  Dr H Patrick – Independent Member;  Ms. T van der Sandt – Independent Member;  Dr Silma Koekemoer – Independent Member;  Adv. R Voller - Commissioner

Ms T van der Sandt resigned in May 2024. Dr Silma Koekemoer was appointed in July 2024

Table C. 4: Remuneration of Committee Members

Name	Remuneration	Other Allowance	Other Re-imbursments	Total
Konar, D	R 146 065.64	-	-	R 146 065.64
Maharaj, N	R 101 507.28	-	-	R 101 507.28
Ramphaka, GT	-	-	-	-
Patrick, H	-	-	-	-
van der Sandt, CM	R 19 045.44	-	-	R 19 045.44
Sethibe, TG	R 183 848.68	-	-	R 183 848.68
De Kock, CG	R 99 988.56	-	-	R 99 988.56
Koekemoer, S	R 59 784.68	-	-	R 59 784.68
<b>Total</b>	<b>R 687 989.25</b>	<b>-</b>	<b>-</b>	<b>R 687 989.25</b>

## 5. Risk Management

Risk management provides the CIPC staff with a common approach to understand and manage uncertainties in pursuit of the organisation’s objectives and goals. The CIPC has - and maintains - policies and frameworks, strategies and plans to guide the implementation of risk management. On a regular basis, risk assessments are conducted, and mitigation actions are implemented and reviewed. Emerging risks are identified as part of the process and are discussed at various governance forums, including the mitigation thereof.

The CIPC established the Risk Management and ICT Committee as part of the Audit Committee. This committee is a sub-committee of the Audit Committee and oversees the implementation and management of risk and ICT activities. The chairperson and the majority of members of the committee are independent and non-executive members.

**Table C. 5: Risk and ICT Committee Member Details** discloses the relevant information on the Risk and ICT committee members.

*Table C. 5: Risk and ICT Committee Member Details*

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
<b>Dr. Tebogo Sethibe</b>	DBL, MBL, MIT, BSc Computer Science (Honours)	External	--	01 April 2022	N/A	4
<b>Dr. Harold Patrick</b>	DPhil (Info Systems & Technology), CFE MComm (Info Systems & Technology), BCom (Business Management) (Honours), Postgraduate Diploma Forensic Auditing & Criminal Justice, BAdmin	External	--	01 April 2022	N/A	4
<b>Ms. Tia van der Sandt</b>	MBA Edinburg, BSc (ITM), Postgraduate Diploma in Auditing, BCompt (Hons)	External	--	01 April 2022	May 2024	2
<b>Adv. Rory Voller</b>	LLM	Internal	Commissioner	01 Sept 2016	N/A	4
<b>Dr Silma Koekemoer</b>	PhD (IT) MBA	External	----	05 July 2024	N/A	2

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
	National Diploma in Local Government Finance Advanced Certificate in Risk Management					

## 6. Internal Audit and Audit Committees

The Audit Committee provides oversight on the CIPC's governance, risk, compliance, control, and performance management, including financial and annual performance. The table below discloses relevant information on the audit committee members.

Table C. 6: Disclosure of Information on Audit Committee Members

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
<b>Dr. Len Konar</b>	BCom, PG DIP in ACC, CA (SA), MAS, CERT in Tax Law, DCOM, CRMA	External	--	01 April 2022	N/A	6
<b>Dr. Tebogo Sethibe</b>	DBL, MBL, MIT, BSC Computer Science (Honours)	External	--	01 April 2022	N/A	4
<b>Mr. Charle de Kock</b>	MCom – IT Audit, BCom – Hons/Acc; CISA, CIA	External	--	01 April 2022	N/A	6
<b>Ms. Gratitude Ramphaka</b>	CA (SA), Bachelor of Accountancy (Honours) BCom, Auditing Specialism	External	--	01 April 2022	N/A	1
<b>Ms. Nalini Maharaj</b>	BProc LLB, Financial Accounting for public entities	External	--	01 April 2022		6
<b>Adv. Rory Voller</b>	LLM	Internal	Commissioner	01 Sep 2016	N/A	6
<b>Ms. Kamitha Singh</b>	BCom; BCompt; BCompt Honours; Executive Development Programme,	dtic rep	dtic rep	dtic rep	dtic rep	6

Name	Qualifications	Internal or External	If internal, position in the public entity	Date Appointed	Date Resigned	No. of Meetings Attended
	CIA, Associate Member of IIA					

## 7. Compliance Laws and Regulations

The organisation has established processes to ensure compliance with relevant and applicable legislation, regulations and prescripts and policies. A compliance Policy, Framework, Universe, and Plan is being implemented. Regular monitoring is conducted, and results are communicated to all governance structures on a regular basis.

## 8. Fraud and Corruption

The CIPC has an approved Fraud Prevention Plan in place. In addition, policies, systems, and processes for managing, handling, and responding to the fraud risks and incidents, in accordance with applicable legislation, have been established. Progress reports on the implementation of the plan are discussed by management and other relevant governance structures.

A fraud risk registers detailing areas in which the CIPC is exposed is in place and is reviewed regularly.

The organisation has various channels for reporting fraud and corruption. Among these is a dedicated independently managed hotline, which is available 24/7/365. The hotline is preferred by most complainants and whistle-blowers, as it provides a degree of anonymity for those who prefer to have their identity and other personal information protected.

A Case Register which provides a record of all fraud related complaints is maintained. This register is updated regularly with regard to the status or progress of the reported matters. On receipt, information is analysed and dependent on the nature and complexity, cases are allocated for investigation by internal or external resources. Investigation reports are used to determine the course of action.

## 9. Minimising Conflict of Interest

As a regulator, the CIPC expects and promotes the highest standard of ethical conduct from all its employees. Appropriate policies and procedures to direct and support expected behaviour are in place, including the Code of Conduct and Ethics, and the Declaration of Interest policies.

For the reporting period, an organisation-wide ethics campaign was held to create education and awareness on ethics. All employees of the CIPC are required to declare their interest in line with the approved policy. Finance and SCM-related processes address declarations by suppliers and service providers.

## 10. Code of Conduct

The Code of Conduct and Ethics defines who we are and how we act whilst pursuing the goals of the CIPC. Our conduct is closely aligned with the ethical behaviour expected of each

employee and stakeholder involved with the CIPC. The Code of Conduct and Ethics has been updated and aligned with other policies of the organisation.

## 11. Health, Safety, and Environmental Issues

The CIPC business operations conducted within an office environment have been proclaimed to be within a safe and conducive working environment, as inspections were conducted and minor safety risks and hazards identified and addressed, to mitigate any such risks/hazards timeously. No loss of lives and/or injuries occurred during the reporting period.

Health, safety & the environment plays an integral part in CIPC realizing its institutional mandate. In aligning with the CIPC mandate, vision, mission and values – the below table defines CIPC’s intention, direction, commitment and governance towards health, safety & environmental aspects:

*Table C. 7: CIPC's Intention, Direction, Commitment and Governance towards Health & Safety*

<b>Intention</b>	Enhanced healthy and safe work settings including technological advancements within CIPC functions to ensure minimal environmental footprint.
<b>Direction</b>	The intentional direction of CIPC is to continually strive for health, safety & environmental excellence and ethics. Therefore, fulfilling CIPC’s social responsibility and exceeding stakeholders’ prospects.
<b>Commitment</b>	CIPC is committed to providing for the health & safety of its personnel, protection of its assets, minimal environmental impact and prevent workplace injuries or losses.
<b>Governance</b>	To fulfil legislative and other obligations: All CIPC personnel need to understand that health, safety and the environment are everyone’s responsibility.

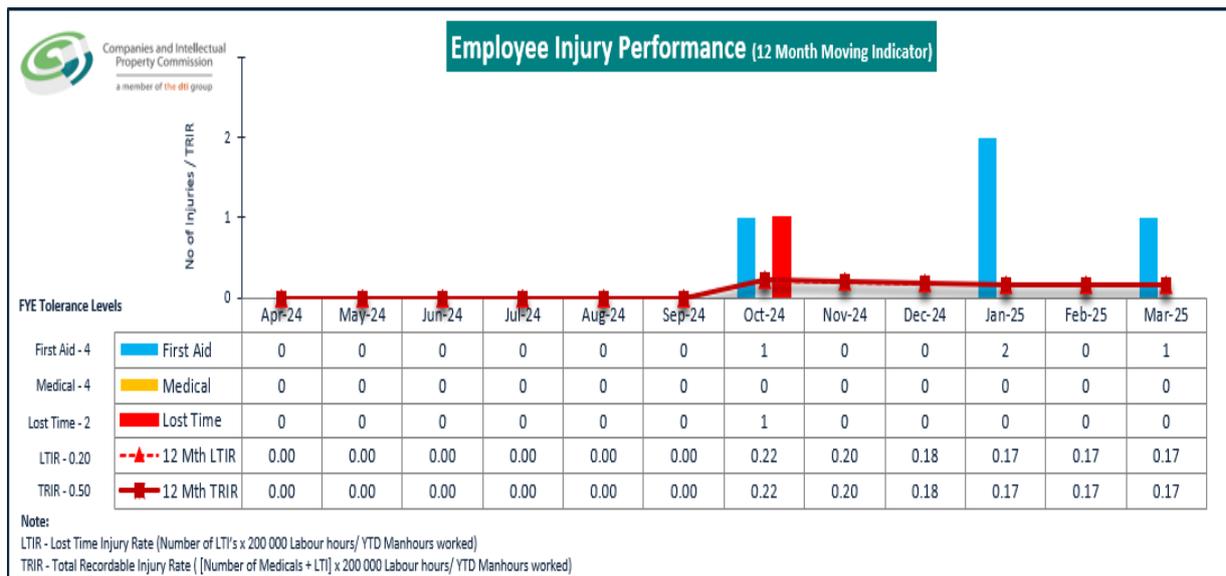
In the 2024/25 FY emphasis was placed on developing OHS programmes to establish a baseline for measuring the future performance of occupational health & safety within CIPC. Throughout the year hazard identification and risk assessment measures were conducted to ensure a safe working environment. These measures were analyzed and aid in the setting of OHS strategic objectives which are translated into the amended CIPC Occupational Health & Safety Policy. The amended Policy will shape CIPC’s future OHS action plans, to foster the desirable OHS culture and create improved working environments/settings. Therefore, maintaining a risk-based approach and zero-harm tolerance towards health, safety and the environment.

A significant shift towards demonstrating leadership commitment was achieved in the appointment of health & safety functionaries in the CIPC leadership echelon. The involvement of the appointed OHS Act, Section 19(3) Employer Nominees strengthened and created valuable contribution in the newly established CIPC Emergency Response, Health & Safety Committee. The ER, H&S Committee meetings were held successfully including the execution of planned emergency evacuation drills. The issued bid for a Skills Development Provider to offer critical health & safety development programs or interventions for a period of two years was approved.

No Government Enforcement Agency health & safety notices were issued against CIPC for the financial year. The CIPC maintained a valid Letter of Good Standing with the Department of Employment & Labour/ Compensation Fund. The CIPC recorded one lost time injury case and four minor first aid injury incidents for the 2024/2025 Financial Year. The lost time injury incident was successfully reported to the Compensation Fund.

The CIPC health & safety incident performance is depicted in **Figure C. 1: Employee Injury performance**: (Note: the term Tolerance Level is used as the CIPC does not target to cause injury or harm)

Figure C. 1: Employee Injury performance



The root causes of the incidents were investigated, and lessons were derived to prevent re-occurrence of similar incidents. In conclusion, the CIPC OHS incident performance is commendable as the tolerance level for each incident classification was not exceeded. This sets the baseline for OHS incident performance for the CIPC and the trend analysis will be compared onwards year on year. Key performance areas have been developed in the CIPC Occupational Health & Safety Policy to address CIPC areas of improvement and proactively approach health & safety.

The CIPC operates in leased premises which consists of the head office at the dtic Campus Pretoria, Self-Service Centers and/or Kiosks (in various cities throughout the country). The landlords are responsible for all facilities/ building maintenance and services including waste management. Despite there being no specific environmental targets, CIPC has commenced in digitizing organisational processes to further minimize CIPC's environmental footprint in line with Vision 2030. The Asset Management unit has ongoing resale bids of obsolete items and electronic waste aiding in recycling of decommissioned electrical equipment. The CIPC Telecommuting policy enables a lower staff presence at our head office, minimizing the use of water and electricity.

### Focus Areas

- Implementation of amended CIPC Occupational Health & Safety Policy to strengthen CIPC's OHS outlook.
- Gain leadership accountability, commitment and collaboration towards a proactive health & safety approach.
- Foster a culture of health & safety amongst CIPC personnel through behavioural observations by the CIPC leadership and all other management levels.
- Promote health & safety through initiatives and training to empower personnel on OHS knowledge and ensure that strategic objectives are met.
- Create leading health & safety performance indicators and monitor lagging indicators for continual improvement.
- Integrate health & safety management in organisational key structures, processes & operations.
- Continue to foster digitizing organisational processes to further minimize CIPC's environmental footprint.

## 12. Company/Board Secretary

Not applicable.

## 13. Social Responsibility

As part of the organisation's commitment to supporting education and community development, two schools in Atteridgeville, namely Dr Edward Phatudi Comprehensive School and Bathokwa Primary School, were identified in collaboration with the Department of Basic Education to receive targeted support. A total of R200,000 was invested in addressing critical infrastructural and educational needs at these institutions.

The intervention support included the installation of 15 steel doors to improve classroom security, the provision of school chairs to accommodate learner needs, the supply of play area furniture tailored for Grade R learners, the delivery of sports and recreational equipment to encourage physical development, and the procurement of functional furniture to enhance the learning and working environment for both staff and learners.

## 14. Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2025.

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 77 of the Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

The following internal audits and reviews were completed during the year under review:

- Asset Management
- Business and Company Name Reservation
- Call Centre
- Call Logging and Incident Management (Service Desk)
- Compliance with Laws and Regulations
- Cybersecurity
- Disaster Recovery
- Facilities
- Governance
- Inventor Assistance Programme
- Labour Relations
- Memorandum of Incorporation Amendment
- New Company Registrations
- Supply Chain Management
- Staff Performance Management
- Stakeholder Engagement
- Annual Financial Statements Review
- Annual Report Performance Information Verification
- Special Functions Process Review

### In-Year Management and Monthly/Quarterly Reports

The public entity has submitted monthly and quarterly reports to the Executive Authority.

### Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the public entity.

### Auditor's Report

We have reviewed the public entity's implementation plan for audit issues raised by both Internal and External Auditors in the prior years. Progress is being made in resolving these matters.

The Audit Committee concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.

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Len Konari, Dr.

Chairperson of the Audit Committee

Companies and Intellectual Property Commission

31/ 07/ 2025

## 15. B-BBEE Compliance Performance Information

The following table has been completed in accordance with B-BBEE requirements, as per the B-BBEE Act (2013) and as determined by the Department of Trade, Industry and Competition.

Table C. 8: B-BBEE Compliance Table

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes/No	Discussion (Include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	This does not fall within the CIPC mandate.
Developing and implementing a preferential procurement policy?	Yes	The Preferential Procurement Policy is implemented at all times.
Determining qualification criteria for the sale of state-owned enterprises?	No	This does not fall within the CIPC mandate.
Developing criteria for entering into partnerships with the private sector?	Yes	A collaboration framework is in place.
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad Based Black Economic Empowerment?	No	This does not fall within the CIPC mandate.

## PART D: HUMAN RESOURCE MANAGEMENT

### 1. Introduction

The effective management of human resources is critical to the success of the CIPC, especially in an ever evolving and dynamic landscape it operates in. This section provides a holistic view of the strategies, challenges, and achievements in the pursuit of ensuring that the Commission's human capital is aligned with and enables the strategic objectives of the CIPC.

Using qualitative and quantitative insights, we present how human resources planning contributes to the fulfilment of the CIPC mandate, and its contribution to positively impacting the lives of South African citizens

#### 1.1 Overview of Human Capital Matters

The CIPC, with the assistance of Deloitte and Touche, undertook a review of job descriptions and job evaluations. The process took longer than anticipated due to engagements with organized labour. The job descriptions have been completed, and the job evaluations are scheduled to be presented to staff in the second quarter of the 2025/2026 financial year. The automation of certain functions at the CIPC has created a challenge, as some employees are no longer fully engaged in their roles. To address this, temporary secondments are being used to ensure the full utilization of staff. At the end of the period under review (2024/25) the CIPC's vacancy rate stood at 30.6%

During the 2024/25 financial year, the Human Resources function set key priorities aimed at aligning the workforce with the strategic objectives of the CIPC and enhancing organisational effectiveness. These priorities and their anticipated impact are outlined below:

- The discussion of the organizational strategy will lead to the development of an operational model for the CIPC
- Recruitment and Selection: the CIPC is currently filling vacant strategic positions, particularly within the ICT environment, to address ongoing challenges.
- Workforce Planning: the approved Workforce Planning strategy will be followed for all future recruitment
- Organisational Culture: the Organisational Culture project has been approved and will be executed in 2025/26 financial year.
- Training and Development: the CIPC skills plan addresses all the needs of the CIPC staff this is supplemented by the Personal Development Plans for employees.

#### Policy Development

The development and refinement of Human Capital policies remains a key priority. During the reporting period, consultations with Organised Labour are ongoing to ensure collaborative engagement and consensus. In parallel, information sessions were conducted with staff to raise awareness, improve understanding, and promote compliance with the organisation's Human Capital policies.

#### Future HR plans /goals

Looking ahead, the Human Resources function has identified several strategic focus areas for the upcoming period:

- **Review Human Capital Policies:** A comprehensive review and update of existing Human Capital policies will be undertaken to ensure alignment with legislative requirements, organisational priorities, and evolving best practices.
- **Development of Staff in accordance with their Performance Development Plans (PDP):** Continued investment in staff development will be driven by PDPs, ensuring that training and learning opportunities are tailored to each employee's developmental needs and career progression.
- **Internship Programme:** The CIPC will further strengthen its Internship Programme, providing structured learning experiences and practical exposure to young graduates. This initiative forms part of the organisation's broader commitment to youth development, skills transfer and building a future-ready talent pipeline.

## 1.2 Talent Management and Employee Relations

### Employee Development

The CIPC remains committed to the growth and development of its workforce. During the period under review, employee development initiatives were implemented in alignment with the approved Learning and Development Framework. These initiatives were tailored to address identified skills gaps and support the overall strategic objectives of the organisation

### Employee Performance Management

The implementation of the Employee Performance Management Policy remains a key focus. We take pride in the continued enforcement of this policy across all levels, ensuring accountability, alignment of individual goals with organisational priorities, and fostering a culture of high performance

### Employee Wellness Programme

The CIPC continually strives to promote its Staff Wellness through a variety of interventions, with the ultimate goal of enhancing performance

The following key achievements were recorded during the reporting period:

- **Provision of 24/7 Counselling Services:** Continuous psychosocial support was made available to CIPC employees and their immediate family members through a 24/7 counselling service.
- **Staff Wellness and Productivity Survey:** A comprehensive survey was conducted to assess employee wellness, engagement, and productivity, particularly in the context of remote working arrangements.
- **Staff Connect Engagement Session:** A well-attended Staff Connect session was held, aimed at deepening staff understanding of the CIPC's strategic objectives, reinforcing the organisational culture and values, and enhancing employee engagement.
- **Diversity and Inclusion Initiatives:** Targeted initiatives promoting diversity and inclusion were implemented, including dedicated Women's Day and Men's Day programmes

## 1.3 Achievements and Challenges

During the period under review, the CIPC made notable progress in several areas of Human Capital Management, despite facing a number of operational challenges. Below is a summary of key achievements and constraints that impacted performance and workforce dynamics.

### Achievements

- Approval of key Human Capital policies that enhance governance and support operational excellence.

- Timely submission of the Employment Equity Report to the Department of Labour.
- Submission of the Work Skills Plan to FASSETA.
- Awarding of 24 bursaries to qualifying employees as part of ongoing staff development.
- Successful resolution of two arbitration matters in favour of the employer.
- A favourable outcome in one Labour Court matter.

### Challenges

One key challenge identified relates to the integration of organisational culture into daily operations. Strengthening cultural alignment across all staff levels is critical for advancing strategic objectives and embedding organisational values in all aspects of work.

- The ongoing automation of several business units has resulted in staff underutilisation, contributing to decreased morale in affected areas.
- A high vacancy rate persists due to the extended consultation processes required for the filling of posts below the Senior Management Services level, which has delayed recruitment timelines

## 2. Human Resource Oversight Statistics

The following tables summarise personnel related expenditure by programme

Table D. 1: Personnel Cost by Programme / Activity / Objective, FY2024/25

Programme/ Activity/ Objective	Total Expenditure for the Entity	Total Personnel Expenditure	Total Personnel Exp. as a % of Total Expenditure	No. of Employees	Average Personnel Cost per Employee
	R'000	R'000	%		R'000
Business Regulation and Reputation	360 136	199 032	55	204	976
Innovation and Creativity Promotion	88 269	48 782	55	50	976
Service Delivery and Access	337 186	186 349	55	191	976
<b>Total / Average</b>	<b>785 591</b>	<b>434 163</b>		<b>445</b>	

The following tables summarise personnel cost by salary band

Table D. 2: Personnel Cost per Salary Band, FY2024/25

Programme/ Activity/ Objective	Personnel Expenditure	% of Personnel Exp. to Total Personnel Cost	No. of Employees	Average Personnel Cost per Employee
	R'000			R'000
Top Management	10 206	2	4	2 552
Senior Management	7 691	2	8	961
Professional Qualified	67 295	15	70	961
Skilled	146 126	34	152	961
Semi-Skilled	202 846	48	211	961

<b>Total</b>	<b>434 163</b>		<b>445</b>	
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The following tables summarise personnel performance rewards per salary band

Table D. 3: Performance Rewards, FY2024/25

Programme/ Activity/ Objective	Performance Rewards	Personnel Expenditure	% of Performance Rewards to Total Personnel Cost	No. of Employees
	R'000	R'000	%	
Top Management	325	10 206	3	<b>3</b>
Senior Management	289	7 691	4	<b>7</b>
Professional Qualified	2 639	67 295	4	<b>70</b>
Skilled	5 622	146 126	4	<b>150</b>
Semi-Skilled	7 823	202 846	4	<b>209</b>
<b>Total</b>	<b>16 698</b>	<b>434 163</b>		<b>439</b>

The following tables summarise personnel training costs per programme

Table D. 4: Training Costs, FY2024/25

Programme/ Activity/ Objective	Personnel Expenditure	Training Expenditure	Training Expenditure as a % of Personnel Cost.	No. of Employees Trained	Average Training Cost per Employee
	R'000	R'000	%		R'000
Commissioner's Office	89 664	425	0.5	57	7
Corporate Service	128 990	612	0.5	82	7
Business Intelligence	28 315	134	0.5	18	7
Business Regulation and Reputation	171 463	813	0.5	109	7
Innovation and Creativity Promotion	15 731	75	0.5	10	7
<b>Total</b>	<b>434 163</b>	<b>2 059</b>		<b>276</b>	

During the 2024/25 financial year, the Commission experienced moderate shifts in its employment profile, with a net increase of 13 employees across various salary bands. **Table D. 5: Employment and Vacancies** summarise personnel performance rewards per salary band

**Top and Senior Management** bands remained largely stable. Two (2) appointment at Senior Management level have been made. The **Professionally Qualified** group showed a positive net growth (+3), indicating investment in technical or specialist capacity.

This relatively **low turnover rate (2.67%)** suggests a **stable workforce** with limited attrition. The CIPC's low turnover to a greater extent maybe because of the psychological contract of

employees to the organisation. A constrained external job market is also a factor that cannot be overlooked.

Table D. 5: Employment and Vacancies

Programme/Activity/Objective	Employment Beginning of Period	Approved Posts	Employment End of Period	Vacancies	Vacancy Rate %
Commissioner's Office	47	72	50	22	30.6%
Corporate Services	95	128	93	35	27.3%
Business Intelligence & Systems	46	61	48	13	21.3%
Innovation and Creativity Promotion	50	99	50	49	49.5%
Business Regulation & Reputation	204	280	204	77	27.5%
<b>Total / Average</b>	<b>442</b>	<b>640</b>	<b>445</b>	<b>196</b>	<b>31.24%</b>

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the organisation

Table D. 6: Occupational Bands

Occupational Bands	Employment Beginning of Period	Approved Posts	Employment End of Period	Vacancies	Vacancy Rate %
Top Management / Executives	4	6	4	2	40%
Senior Management / Advanced Specialists	8	14	8	6	42%
Professional Qualified / Experienced Specialist / Middle Management	67	96	70	26	27%
Skilled Technical / Academically Qualified / Junior Management	148	261	152	110	42.14%
Semi-Skilled	215	263	211	51	19.39%
<b>Total</b>	<b>442</b>	<b>640</b>	<b>445</b>	<b>195</b>	<b>30.5%</b>

Senior management posts are being filled as and when they are vacated or required. Positions are advertised internally and externally, and the best suitable candidate is appointed. The CIPC prides itself on paying its employees market-related salaries and offering service benefits such as:

- 13<sup>th</sup> Cheque
- Performance Bonuses
- Rewards for Years of Service
- Unemployment Insurance Fund (UIF)
- Group Life Policy.

Table D. 7: Employment Changes

Occupational Bands	Employment at Beginning of Period	Appointments	Terminations	Turnover Rate %	Employment at End of the Period
Top Management / Executives	4	0	0	4	4
Senior Management / Advanced Specialists	8	1	0	8	8
Professional Qualified / Experienced Specialist / Middle Management	67	6	2	70	67
Skilled Technical / Academically Qualified / Junior Management	148	3	4	152	148
Semi-Skilled	215	5	6	211	215
<b>Total</b>	<b>442</b>	<b>15</b>	<b>12</b>	<b>455</b>	<b>442</b>

During the 2024/25 financial year, a total of 12 employees exited the organisation. The primary reasons for staff leaving were resignation and retirement, each accounting for 41.7% of total exits. The remaining 16.7% resulted from death in service. There were no dismissals, contract expiries, or exits due to ill health or other reasons.

Table D. 8: Reasons for Staff Leaving

Reason	Number	% of Total no. of Staff Leaving
Death	2	16.7%
Resignation	5	41.7%
Dismissal	0	0
Retirement	5	41.7%
Ill Health	0	0
Expiry of Contract	0	0
Other	0	0
<b>Total</b>	<b>12</b>	<b>100%</b>

Table D. 9: Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	3
Written Warning	3
Final Written Warning	6
Dismissal	0

Table D. 10: Equity Target and Employment Equity Status – Male

Levels	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	1	1	0	0	1	1
Senior Management	5	5	0	0	1	1	0	0
Professional Qualified	27	34	3	3	4	4	4	4
Skilled	71	79	3	17	1	1	9	14
Semi-Skilled	65	75	1	1	1	1	2	2
Unskilled	0	0	0	0	0	0	0	0
<b>Total</b>	<b>168</b>	<b>194</b>	<b>8</b>	<b>22</b>	<b>7</b>	<b>7</b>	<b>16</b>	<b>21</b>

Table D. 11: Equity Target and Employment Equity Status – Female

Levels	Black		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	1	1	0	0
Senior Management	4	4	0	0	0	0	0	0
Professional Qualified	17	15	3	6	2	2	11	8
Skilled	70	65	5	9	5	2	10	5
Semi-Skilled	141	120	8	8	1	1	23	10
Unskilled	0	0	0	0	0	0	0	0
<b>Total</b>	<b>233</b>	<b>205</b>	<b>16</b>	<b>23</b>	<b>9</b>	<b>6</b>	<b>44</b>	<b>23</b>

Table D. 12: Equity Target and Employment Equity Status – Disabled staff

Levels	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	1	0	2
Skilled	5	5	0	7
Semi-Skilled	2	2	2	3
<b>Total</b>	<b>7</b>	<b>8</b>	<b>2</b>	<b>12</b>

The CIPC has identified several persistent challenges in achieving equitable representation of people living with disabilities within the organisation. Concerns about potential discrimination may contribute to underreporting, which in turn affects the accuracy of data on workforce diversity. Additionally, systemic barriers in education and workplace accessibility have resulted in a limited pipeline of qualified candidates, particularly in professional and skilled roles.

At more senior levels, representation remains disproportionately low, likely due to a combination of factors, including the limited availability of people living with disabilities with the requisite qualifications and persistent barriers in accessing education, skills development, and workplace readiness programs. Gender disparities further compound these challenges, as

women with disabilities often face intersecting societal, infrastructural, and cultural obstacles that hinder their participation in the workforce

Overall, while there is some progress in meeting targets in semi-skilled and skilled male categories, the organisation has yet to fully reflect the targets set across all levels.

The CIPC is actively taking steps to address the underrepresentation of people living with disabilities through engagements with disability-focused organisations and NGOs are pursued to access suitable candidates and support inclusive hiring. Furthermore, the organisation is considering targeted internship for youth living with disabilities, to build a pipeline for future employment at professional levels.

## PART E: PFMA COMPLIANCE REPORT

This section provides guidance on the information to be included in the annual report guide relating to PFMA compliance requirements.

### 1. Information on Irregular, Fruitless and Wasteful Expenditure and Material Losses

#### a) Reconciliation of irregular expenditure

Table E. 1: Reconciliation of irregular expenditure

Description	2023/24	2024/25
	R'000	R'000
<b>Opening balance</b>	98 788	98 788
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	0	0
Less: Irregular expenditure confirmed	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recoverable and written off	0	0
<b>Closing balance</b>	0	0

An application was made in the previous years to National Treasury for the write-off of irregular expenditure. No response has been received to date

Table E. 2: Reconciling Notes

Description	2023/24	2024/25
	R'000	R'000
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	0
Irregular expenditure for the current year	0	0
<b>Closing balance</b>	0	0

#### b) Details of irregular expenditure (under assessment, determination, and investigation)

Table E. 3: Details of irregular expenditure (under assessment, determination, and investigation)

Description <sup>3</sup>	2023/24	2024/25
	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
<b>Total</b>	0	0

#### c) Details of irregular expenditure condoned

Table E. 4: Details of irregular expenditure condoned

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure condoned	0	0
Total	0	0

d) Details of irregular expenditure removed - (not condoned)

Table E. 5: Details of irregular expenditure removed- (not condoned)

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e) Details of irregular expenditure recoverable

Table E. 6: Details of irregular expenditure recoverable

Description	2023/24 R'000	2024/25 R'000
Irregular expenditure recoverable	0	0
Total	0	0

f)Details irregular expenditure written off (irrecoverable)

Table E. 7: Details of irregular expenditure written off (irrecoverable)

Description	2023/24	2024/25
	R'000	R'000
Irregular expenditure written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Table E. 8: Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
N/A
<b>Total</b>

h) Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)<sup>4</sup>

Table E. 9: Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2023/24	2024/25
	R'000	R'000
N/A	N/A	N/A
<b>Total</b>	<b>N/A</b>	<b>N/A</b>

i)disciplinary or criminal steps taken as a result of irregular expenditure

Table E. 10: Disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
N/A

### Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Table E. 11: Reconciliation of fruitless and wasteful expenditure

Description	2023/24 R'000	2024/25 R'000
Opening balance	0	0
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Fruitless and wasteful expenditure confirmed	0	0
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
<b>Closing balance</b>	<b>0</b>	<b>0</b>

b) *Fruitless and wasteful expenditure (under assessment, determination, and investigation)*

Table E. 12: Fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2023/24	2024/25
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

c) *Details of fruitless and wasteful expenditure recoverable*

Table E. 13: Details of fruitless and wasteful expenditure recoverable

Description	2023/24 R'000	2024/25 R'000
Fruitless and wasteful expenditure recoverable	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

d) *Details of fruitless and wasteful expenditure not recoverable and written off*

Table E. 14: Details of fruitless and wasteful expenditure not recoverable and written off

Description	2023/24	2024/25
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

e) *Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure*

Table E. 15: Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
N/A

*Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)*

*a) Details of material losses through criminal conduct*

Table E. 16: Details of material losses through criminal conduct

Material losses through criminal conduct	2023/24	2024/25
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
<b>Total</b>	0	0

*b) Details of other material losses*

Table E. 17: Details of other material losses

Nature of other material losses	2023/24	2024/25
	R'000	R'000
N/A	N/A	N/A
<b>Total</b>	N/A	N/A

*c) Other material losses recoverable*

Table E. 18: Other material losses recoverable

Nature of losses	2023/24	2024/25
	R'000	R'000
N/A	N/A	N/A
<b>Total</b>	N/A	N/A

*d) Other material losses not recoverable and written off*

Table E. 19: Other material losses not recoverable and written off

Nature of losses	2023/24	2024/25
	R'000	R'000
N/A	N/A	N/A
<b>Total</b>	N/A	N/A

## 2. Information on late and / or non-payment of suppliers

Table E. 20: Information on the late and or non-payment of suppliers

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	995	137 618
Invoices paid within 30 days or agreed period	817	136 728
Invoices paid after 30 days or agreed period	178	1 890
Invoices older than 30 days or agreed period ( <i>unpaid and without dispute</i> )	N/A	N/A
Invoices older than 30 days or agreed period ( <i>unpaid and in dispute</i> )	N/A	N/A

## 3 Information on Supply Chain Management

All bids are awarded through open tenders. No unsolicited bids were received for FY2024/25

Table E. 21: Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
N/A	N/A	N/A	N/A	N/A
<b>Total</b>	N/A	N/A	N/A	N/A

### Contract variations and expansions

Table E. 22: Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value  (VAT Incl)	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation  (VAT Incl)
Procurement of K2 services and support	Linux Resourcing	Extending the contract to allow finalisation of replacement tender and handing over	CIPC BID 12/2022/2023	R29 597 320.	N/A	R2 800 000.00 (9%)
Request approval for a 15% contract variation on the current CIPC/Reagola SLA for the provision of on-site/remote maintenance and support of the CIPC databases as well as the extension of the contract end date to 31st October 2024	Reagola Pty Ltd	Provision of maintenance and support	CIPC BID 19/2021/2022	R9 759 360.00	N/A	R 1 463 904.00
Request for approval to vary the ETS contract to increase the storage capacity of the Oracle Database Appliance (ODA) with 7.68 Terabyte	ETS Innovations	To increase the storage capacity of the Oracle Database	CIPC BID 04/2021/2022	R35,032,199.73	N/A	R3,891,847.92
<b>Total</b>				<b>R74 388 879.73</b>	<b>-</b>	<b>R8 155 751.92</b>

## PART F: FINANCIAL INFORMATION

### Report of the auditor-general to Parliament on Companies and Intellectual Property Commission

#### *Report on the audit of the Annual Financial Statements*

#### **Opinion**

1. I have audited the financial statements of the Companies and Intellectual Property Commission (CIPC) set out on pages xx to xx<sup>1</sup>, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Companies and Intellectual Property Commission as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

#### **Basis for opinion**

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion

#### **Responsibilities of the accounting authority for the financial statements**

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA; and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of

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<sup>1</sup> The Annual Financial Statements will be submitted separately

accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

### **Responsibilities of the auditor-general for the audit of the financial statements**

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page x, forms part of my auditor's report.

### **Report on the annual performance report**

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators related to Programme 3: Business Regulation and Reputation presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
  - Number of corporate education and awareness initiatives conducted
  - Number of proactive investigations in response to contraventions of the Companies Act No 71 of 2008, as amended, by Companies identified in the State Capture Report
  - Number of targeted proactive pre-investigations
  - Number of prospectus reports
  - Updated CIPC XBRL taxonomy aligned with government initiatives to address climate change.
12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
  - The indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
  - All the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included

- The indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - The targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - The indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
  - The reported performance information is presented in the annual performance report in the prescribed manner
  - There is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected indicators.

#### **Other matters**

16. I draw attention to the matters below.

#### **Achievement of planned targets**

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under- achievements.

#### **Material misstatements**

18. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Programme 3: Business Regulation and Reputation. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

#### **Report on compliance with legislation**

19. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
20. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
21. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
22. I did not identify any material non-compliance with the selected legislative requirements.

## Other information in the annual report

23. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programmes presented in the annual performance report that have been specifically reported in this auditor's report.
24. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
25. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. The other information I obtained prior to the date of this auditor's report is commissioners overview, and the ministers foreword, the Audit Committee Report and human resource management information are expected to be made available to us after 30 July 2025.
27. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
28. When I do receive and read the Minister's foreword, Audit Committee Report and human resource management information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
30. I did not identify any significant deficiencies in internal control.

Auditor General

Pretoria

30 July 2025



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SOUTH AFRICA

Auditing to build public confidence

## Auditor-General's Responsibility for the Audit

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### Professional judgement and professional skepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional skepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

### Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

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

### Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and

other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51 (1) 51 (1) 51 (1) 53(4); 55(1) 55(1) 55(1) 56; 57(b); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 46(1)(b); 46(1)(c); 112(2)(a); 46(1) 46(1)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 2020/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 1 1 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1 (a); 2.1 (f)
Preferential Procurement Regulations, 2022	Regulation 4.1 ; 4.2; 4.3; 4.4; 5.1 ; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1 ; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 1 1.1; 1 1.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1 )

## PART G – SERVICE DELIVERY AND ORGANISATIONAL ENVIRONMENT STATISTICS

### 1. Service Delivery Statistics

The following section highlights the impact of the service delivery environment, including the performance of core CIPC services, issues of compliance and enforcement, customer engagement, and key CIPC strategies.

#### 1.1.1 Applications, Registrations and Amendments

In general, trends have been either positive or consistent across most service domains relating to volumes of applications, registrations and amendments processed. This suggests that there is growing - or at least stable - demand for CIPC services as shown in **Table G. 1: CIPC Key Services – Volumes over the past 5 years** and **Figure G. 1: CIPC Key Services – Volumes over the past 5 Years**.

Table G. 1: CIPC Key Services – Volumes over the past 5 years

CIPC Services	2020/21	2021/22	2022/23	2023/24	2024/25
Patent Applications	8 393	12 479	14 330	10 029	10 303
Patent Registrations	3 525	7 834	7 397	6 075	6 120
Patent Renewals	44 948	47 803	45 387	42 434	47 754
Design Applications	1 651	1 555	1 782	1 325	1 443
Design Registrations	1 391	1 825	1 544	1 275	1 373
Design Renewals	8 522	8 712	7 322	7 108	7 955
Copyright in Film Applications	26	56	17	14	8
Copyright in Film Registrations	19	46	9	1	19
Trade Mark Applications	39 317	42 138	38 224	38 919	31 638
Trade Mark Registrations	30 102	14 941	35 208	31 395	20 835
Trade Mark Renewals	24 255	26 651	26 550	28 302	22 074
Name Reservations	528 208	570 907	467 823	531 810 <sup>i</sup>	649 353
Company Registrations	510 024 <sup>2</sup>	469 983 <sup>3</sup>	404 095	402 559	488 355
Co-operatives Registrations	6 142	4 483	6 253	6 315	5 622
Director Amendments	167 415	167 627	149 816	116 029	205 149
Member Amendments	25 273	27 010	22 937	15 816	15 271
Auditor Changes	93 204	33 316	22 393	23 907	36 118
Company Name Changes	6 142	57 666	53 983	To be updated	43 635
Company Financial Year End Changes	5 843	5 387	5 286	5 807	5 584
Business Rescue Proceedings Commenced (Active Cases)	335	373	249	191	To be updated
BBBEE Certificates	299 393	339 931	357 583	431,711	293 377

More trend analysis follows under each service area.

**Table G. 2: CIPC Key Services – Average Turnaround Times (days)** below depicts the average speed at which listed services were processed over the past five years.

<sup>2</sup> Includes external companies registered

<sup>3</sup> Same as above

Table G. 2: CIPC Key Services – Average Turnaround Times

CIPC Services	2020/21	2021/22	2022/23	2023/24	2024/25
Patent Applications	3	2	2	2	2
Patent Registrations	44	44	44	20	20
Patent Renewals	3	3	2	2	1
Design Applications	2	2	2	2	2
Design Registrations	44	44	44	44	44
Design Renewals	3	2	2	2	2
Copyright in Film Applications	10	1	2	1	1
Copyright in Film Registrations	To be updated	32	2	1	1
Trade Mark Applications	3	3	3	3	2
Trade Mark Registrations	180	132	180	180	180
Trade Mark Renewals	3	2	3	3	2
Name Reservations	2	1	1	1	2
Company Registrations	2	1	1	1	1
Co-Operative Registrations	2	1	1	1	5
Director Amendments Manual	4	2	3	2	2
Director Amendments (Electronic)	1	1	2	1	Instant
Member Amendments (Manual)	3	1	1	1	1
Member Amendments (Electronic)	1	2	1	1	1
Auditor Changes (Manual)	2	1	3	3	2
Auditor Changes (Electronic)	1	1	1	1	1
Company Name Changes	1	Instant	Instant	Instant	Instant
Company Share Changes	To be updated	Instant	Instant	Instant	Instant
Company Financial Year End Changes Electronic	1	Instant	Instant	Instant	Instant
Companies and CC Address Changes	To be updated	Instant	Instant	Instant	Instant
Memorandum of Incorporation (MOI) Amendments (JSE, E-Mail)	To be updated	Instant	Instant	Instant	Instant
Location of Company Records	To be updated	Instant	Instant	Instant	Instant
Company and Voluntary De-Registration	To be updated	Instant	Instant	Instant	Instant
Company Liquidations	To be updated	Instant	Instant	Instant	Instant
Company Re-instatement	To be updated	Instant	Instant	Instant	Instant
Company and CC Commencement of	To be updated	Instant	Instant	Instant	Instant

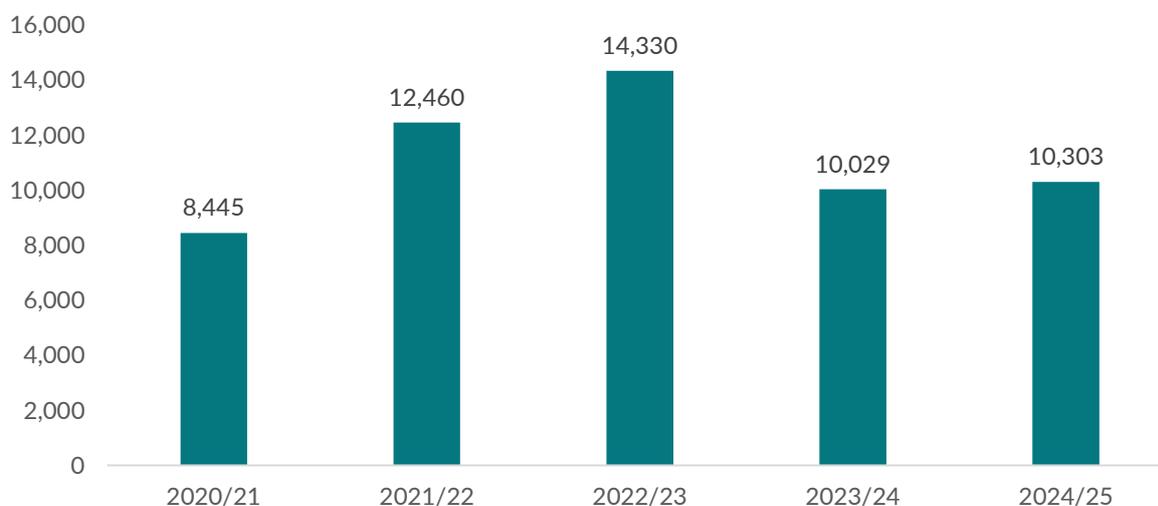
CIPC Services	2020/21	2021/22	2022/23	2023/24	2024/25
Business Rescue Proceedings					
Annual Returns Filings	To be updated	Instant	Instant	Instant	Instant
AFS Filings	To be updated	Instant	Instant	Instant	Instant
BBBEE Certificate	To be updated	Instant	Instant	Instant	Instant

## Patents

### Patent Applications

**Figure G. 1: Patent applications** depicts that between 2020/21 and 2022/23, South Africa experienced a significant increase in the number of patent applications filed. The main contributor to this increase was applications filed by first-time foreign applicants, claiming no priority. This trend may indicate exploitation of inherent loopholes within the South African Patent Depository System, within which the merits of patent applications are not assessed<sup>45</sup>. However, a significant decrease in patent applications was between 2022/23 and 2023/24, and a slight increase in 2024/25. This was as a result of the implementation of a practice note aimed at curbing abuse of the patent system. This notice outlined the requirements for requesting expedited acceptance of patent applications<sup>6</sup>.

Figure G. 1: Patent Applications



There has been a concomitant consistency in average turnaround times for granting Patents once notices of acceptance have been published in the Patents Journal, with 20 days TAT in 2023/24 to 2024/25. On the other hand, Patent renewal average turnaround times has remained constant at 2 days from 2022-2023 over the corresponding period, decreasing to 1 day in 2024/25. The high average turnaround time in the former regard could be attributed to the utilisation of manual processes.

<sup>4</sup> <https://www.bbrief.co.za/2023/04/20/registrar-of-patents-takes-steps-to-prevent-patent-system-abuse-in-south-africa/>

<sup>5</sup> <https://www.cipc.co.za/?p=17839>

<sup>6</sup> [https://www.cipc.co.za/wp-content/uploads/2023/04/Practice-Notice\\_21-of-2023-2.pdf](https://www.cipc.co.za/wp-content/uploads/2023/04/Practice-Notice_21-of-2023-2.pdf)

**Figure G. 2: Patent Registrations** depict a marked increase in Patent applications and registrations between 2020/21 and 2022/23 mirroring the increase observed in the applications filed during this period. Although a significant decrease in patent registrations is observed between 2022/23 and 2023/24, volumes have remained above pre-Covid levels, in 2022/23. There was a slight increase between 2023/24 and 2024/25.

Figure G. 2: Patent Registrations

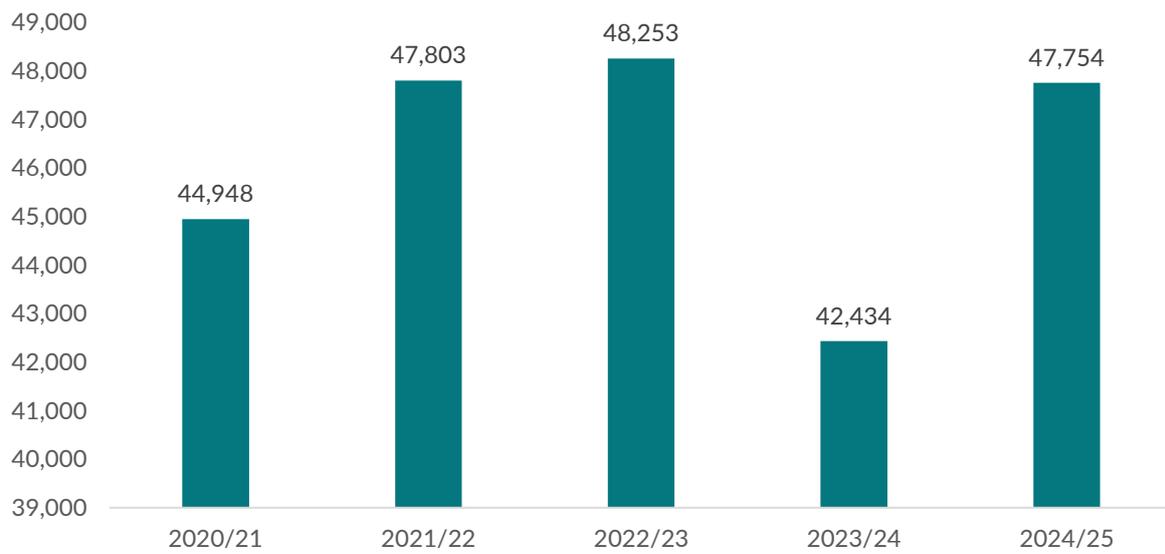


During 2023/24, the CIPC issued 6 057 patent registration certificates, of which one-hundred percent (100%) were processed within set service delivery turnaround times of forty-four (44) days, at an average turnaround time of twenty (20) days from the date of publication in the Patents Journal. In 2024/25, it issued 6 120 patent registration certificates, highlighting an increase compared to the previous year and maintaining the one hundred percent (100%) processing of registrations within set service delivery turnaround times of forty-four (44) days, at an average turnaround time of twenty (20) days.

### Patent Renewals

**Figure G. 3 Patent Renewals** demonstrates a fluctuating trend in the volumes of patent renewals over a 5-year period. Pre-Covid, the volumes were relatively high, there was a noticeable decline during the Covid-19 pandemic, of 44,948 in 2020/21. Post-Covid, the patent renewals showed signs of recovery, reaching 47,803 in 2021/22 and 48,253 in 2022/23. However, the data for 2023/24 indicates a significant decrease, with the number of patent renewals falling to 42,434. There was a significant increase in 2024/25 with a total of 47 754 patent renewals suggesting a new downward trend.

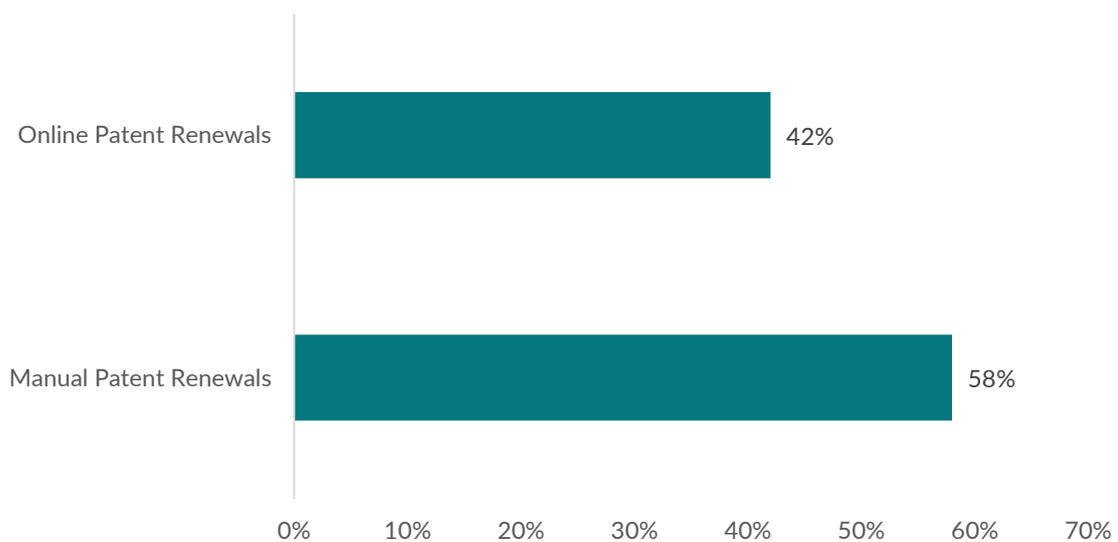
Figure G. 3: Patent Renewals



**Figure G. 4: Electronic vs Manual Patent Renewals** depicts the percentage of patents renewed online against those renewed manually. In the financial year 2024/25, forty-two percent (42%), or 19 875, of the Patent Renewals were filed and processed electronically (online). Ninety-nine (99%) of renewal applications were processed within the set service delivery standard turnaround time of two (2) days, at an average turnaround time of one (1) day.

Primary stakeholders are currently still utilising manual renewal processing platforms, which poses a challenge. However, it must be noted that the percentage of Patent Renewals filed and processed electronically (online) increased significantly from thirty-two percent (32%) in 2023/24 to forty-two percent (42%) in 2024/25.

Figure G. 4: Electronic vs Manual Patent Renewals

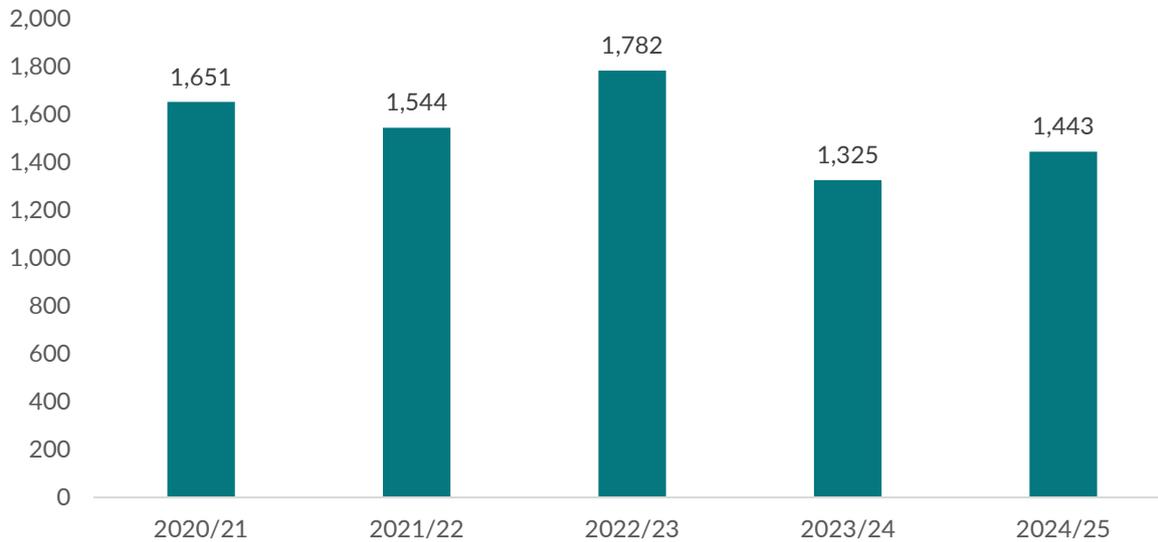


## **Designs**

### Design Applications

As shown in **Figure G. 5: Design Applications**, there was a steady decline in Design Applications between 2020/21 and 2021/22, while an uptick was observed in 2022/23 compared to 2023/24. There was a slight increase in recent data for 2024/25, from 1 325 in the previous year to 1 443 in 2024/25.

Figure G. 5: Design Applications



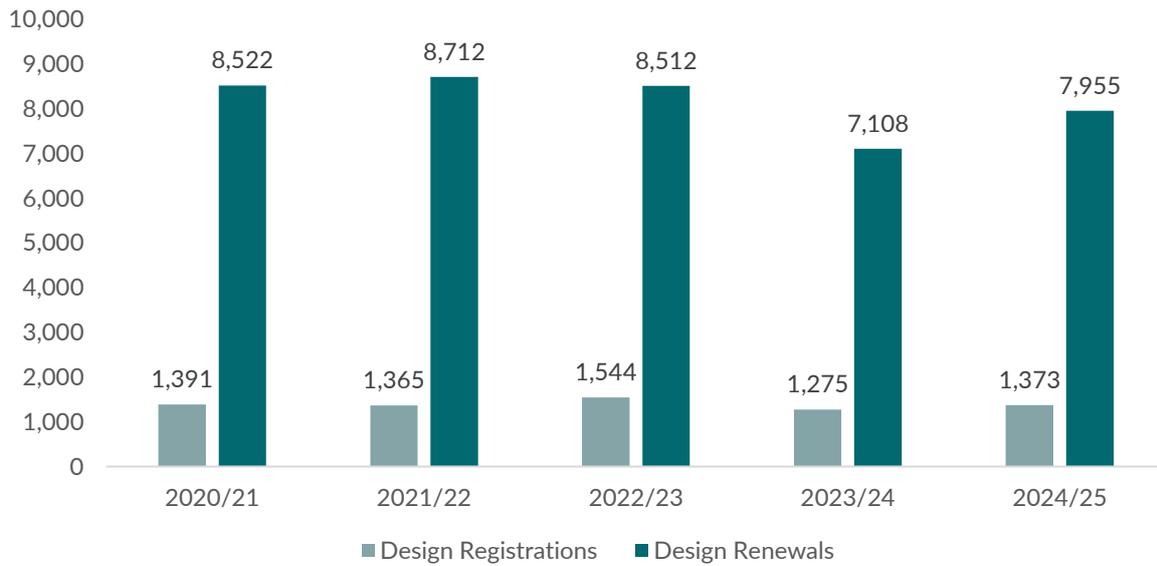
The CIPC received 1 443 Design Applications during 2024/25, which is markedly higher than the number of Design Applications received in 2023/24 (1 325). The average turnaround time for Design Applications was two (2) working days. Ninety-six percent (99%) of Design Applications were processed within the published service delivery turnaround time of two (2) working days.

### Design Registrations and Renewals

**Figure G.6: Design Registrations and Renewals** demonstrates the trends in design renewals and registrations over the past five years. Design Renewals data show that there was consistency during the Covid 19 pandemic, from 8,522 in 2020/21, to 8,712 in 2021/22, and 8,512 in 2022/23. The most recent data for 2023/24 and 2024/25, indicates a noticeable decline, with the number of renewals falling from 8 512 in 2022/23 to 7,108 in 2023/24. There is notable upward trend in 2024/25.

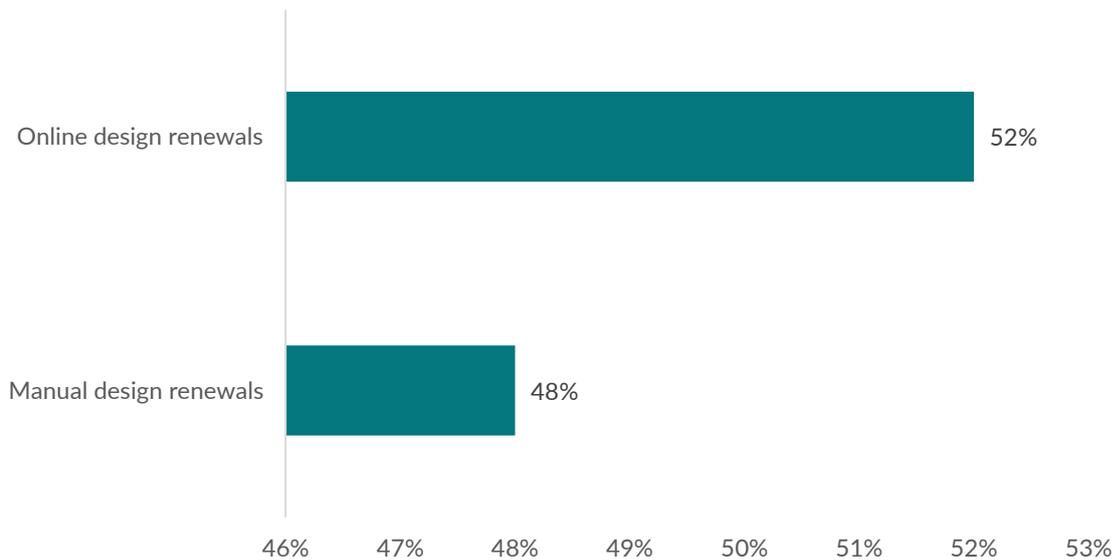
On the other hand, Design Registrations have shown a steady decline over the same period. Renewals started at 1,391 in 2020/21, and continued to decrease to 1,365 in 2021/22, and slightly increased to 1,544 in 2022/23. The latest data for 2023/24 shows a further decrease to 1,275 and slight increase of 1 373 in 2024/25. This indicates a gradual decline in the interest or need for design registrations over the past five years.

Figure G. 6: : Design Registrations and Renewals



In 2024/25, the CIPC issued 1 373 Design Registration certificates, of which one-hundred percent (100%) were processed within set service delivery standard turnaround times of forty-four (44) days from the date of publication.

Figure G. 7: Manual vs Online Design Renewals



In 2024/25, the CIPC processed 7 955 Design Renewals as can be seen in **Figure G. 7: Manual vs Online Renewals**, which is slightly more than the number processed in 2023/24 (7 108). Ninety-seven percent (97%) of Design Renewals were processed within the set service delivery standard turnaround time of two (2) working days at an average turnaround time of two (2) working days.

Further, 4 922 Design Renewals were processed manually. Of these, ninety-five percent (95%) were processed within the set service delivery standard turnaround time at an average turnaround time of 3 days.

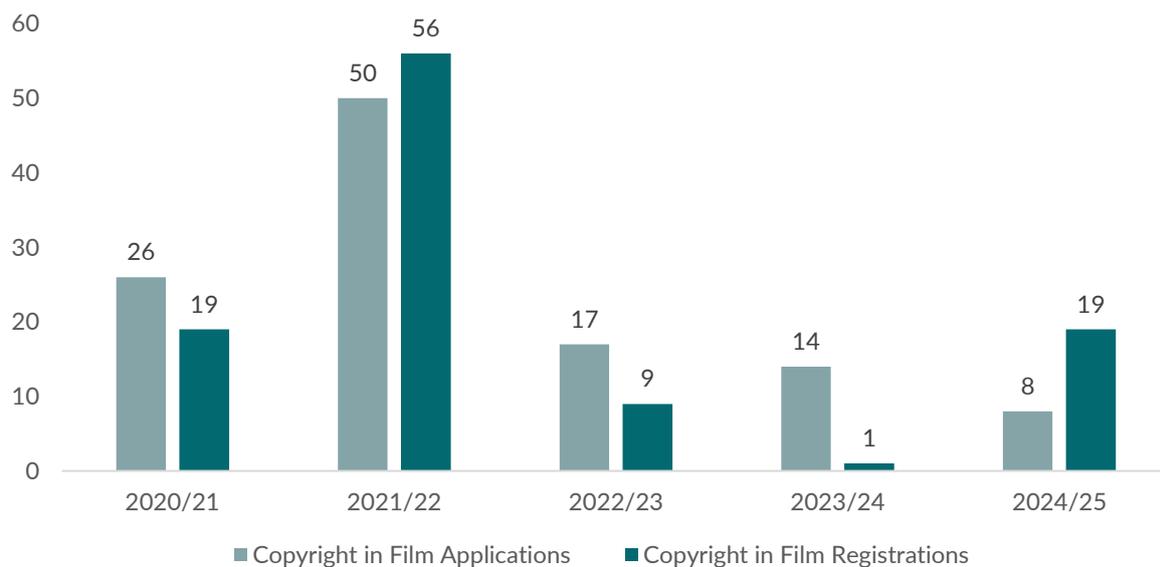
Furthermore, 3 590 Design Renewals were processed electronically (online). Of these, ninety-eight percent (98%) were processed within the set service delivery standard turnaround time at an average turnaround time of 2 days.

## **Copyright in Film**

### *Copyright in Film Applications*

Copyright in Film applications have fluctuated over the past five years as shown in **Figure G. 8 Copyright in Film Applications and Registrations**. However, overall, over the period in question, Copyright in Film Applications have been declining. In both instances, the same is true for Copyright in Film Registrations.

Figure G. 8: Copyright in Film Applications and Registrations



Nineteen (19) Copyright in Film Applications were filed in 2024/25, which presents a notable increase to the fourteen (14) applications filed in 2023/24. However, one hundred percent (100%) of Copyright in Film Applications were processed within the published service delivery standard turnaround time of two (2) working days at an average turnaround time of one (1) working days.

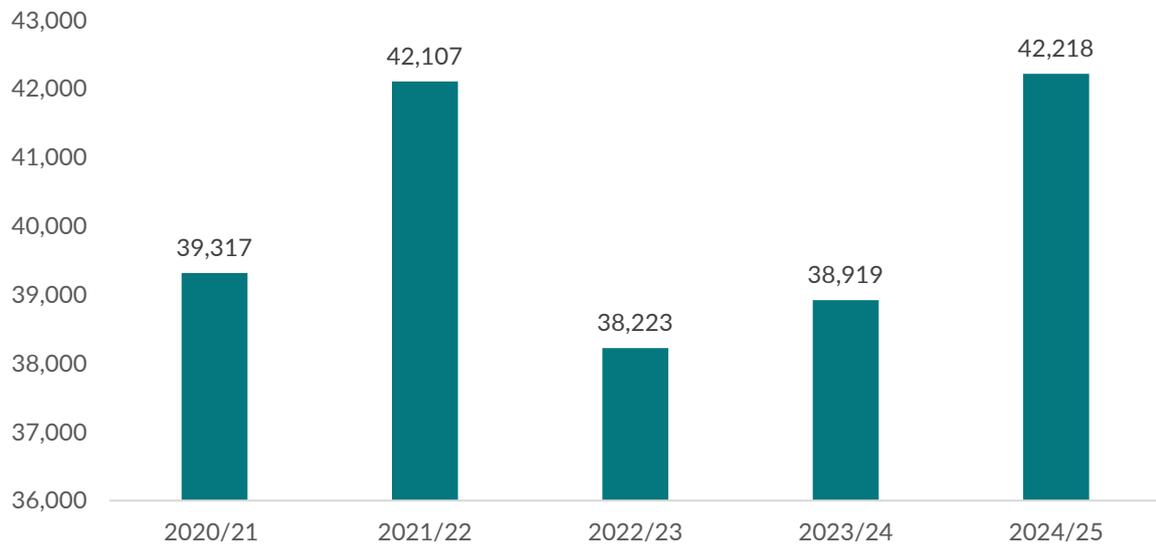
Further, the CIPC issued eight (8) Copyright in Film Registration certificates in 2024/25, of which one hundred percent (100%) were processed within the published service delivery standard turnaround time of twenty-two (22) days from the date of publication, at an average turnaround time of one (1) days.

## **Trade Marks**

### *Trade Mark Applications*

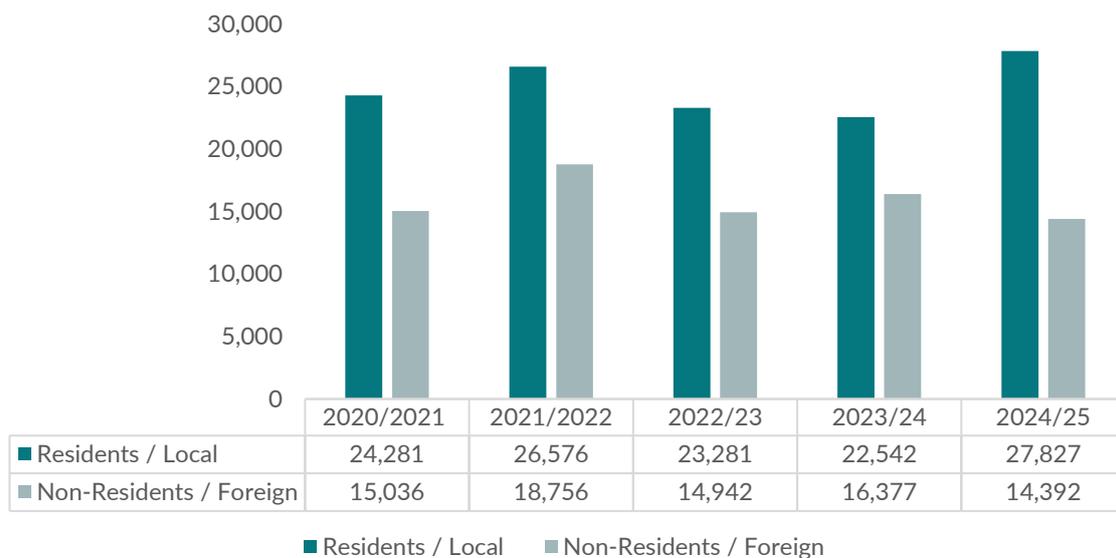
Trade Mark applications have been fluctuating over the past five years, as depicted in **Figure G. 9: Trade Mark Applications**. In 2024/25, 42 218 Trade Mark Applications were filed, representing a significant increase compared to 38 919 in 2023/24. Ninety-three percent (93%) of Trade Mark Applications were processed within the published service delivery standard turnaround time of two (2) working days.

Figure G. 9: Trade Mark Applications



**Figure G. 10: Trade Mark Applications: Residents vs Non-Residents** shows a recovery in the number of Trade Mark applications from South African residents from a three year decline in Trade Mark Applications for South African residents. Non-resident applications have fluctuated over the past five years with the 2024/25 financial year presenting a decrease in non-resident applications compared to the 2023/24 financial year.

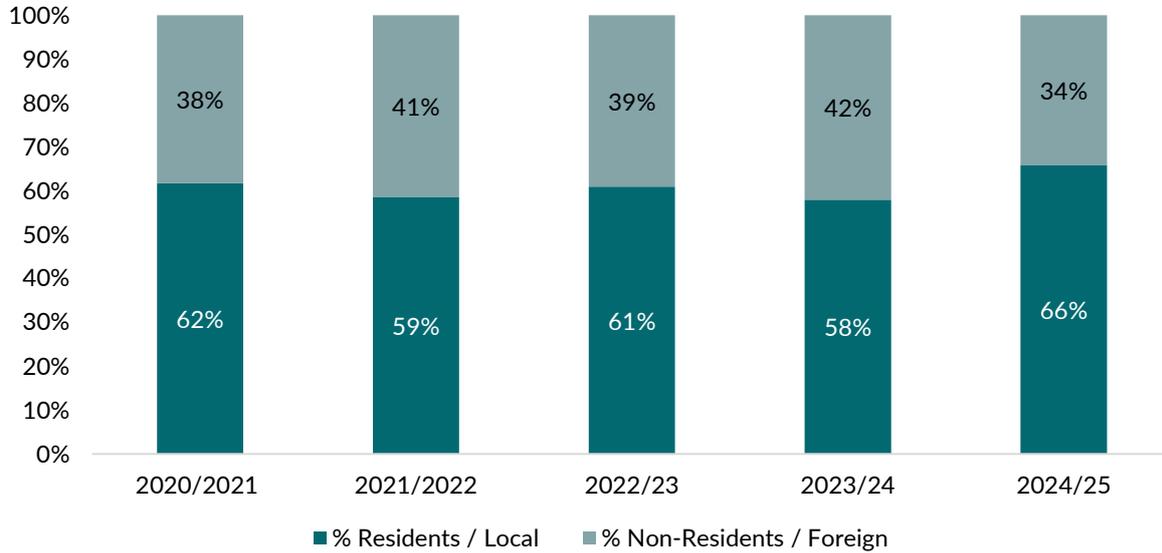
Figure G. 10: Trade Mark Applications: Residents vs Non-Residents



South African residents filed 27 827 Trade Mark Applications in 2022/23, whereas non-South African residents filed 14 392 applications. **Figure G. 11: Trade Mark Applications: Residents vs Non-Residents, Percentage Comparison** shows that over a five year period there has been a

relatively stable distribution of Trade Mark application between the resident and non-resident. However, there has been a notable increase in the percentage of resident applications for Trade Marks, with a ratio between two categories of 66% (Resident) to 34% (Non-Resident) for 2024/25.

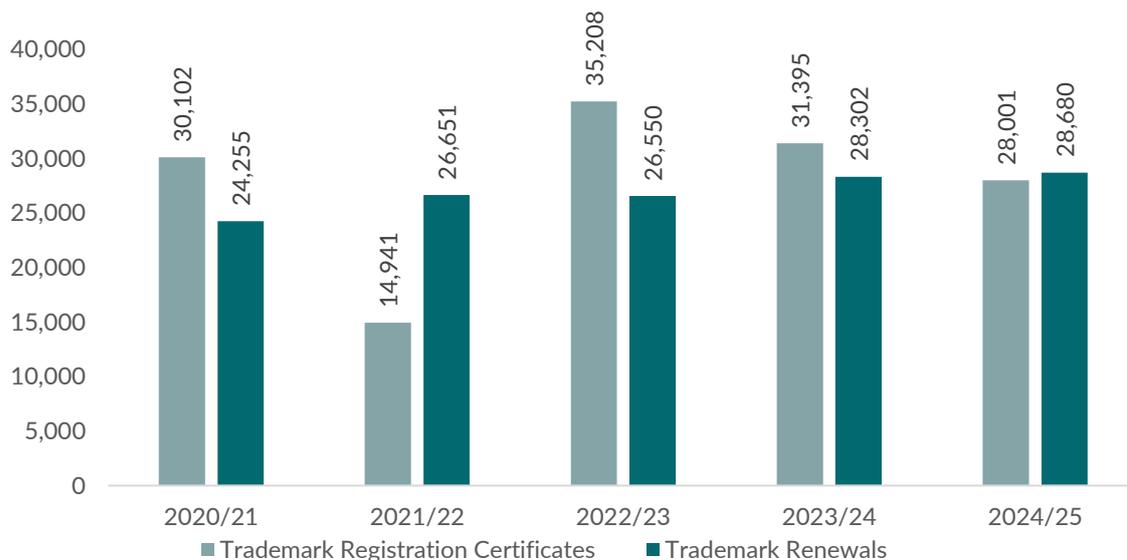
Figure G. 11: Trade Mark Applications: Residents vs Non-Residents, % Comparison



### Trade Mark Registrations

**Figure G. 12 Trade Mark Registration Certificates and Renewals** shows the volume of Trade Mark Registration certificates issued in the past five years. There was a decreasing trend from 2022/23 to 2024/25 in registrations of Trade Marks. Whereas in the same period, the trend in renewals is an increasing trend.

Figure G. 12: Trade Mark Registration Certificates and Renewals



In 2024/25, 28,001 Trade Mark Registration certificates were issued, a significant decrease from the amount issued in 2023/24 (31,395). Ninety-four percent (95%) of Trade Mark

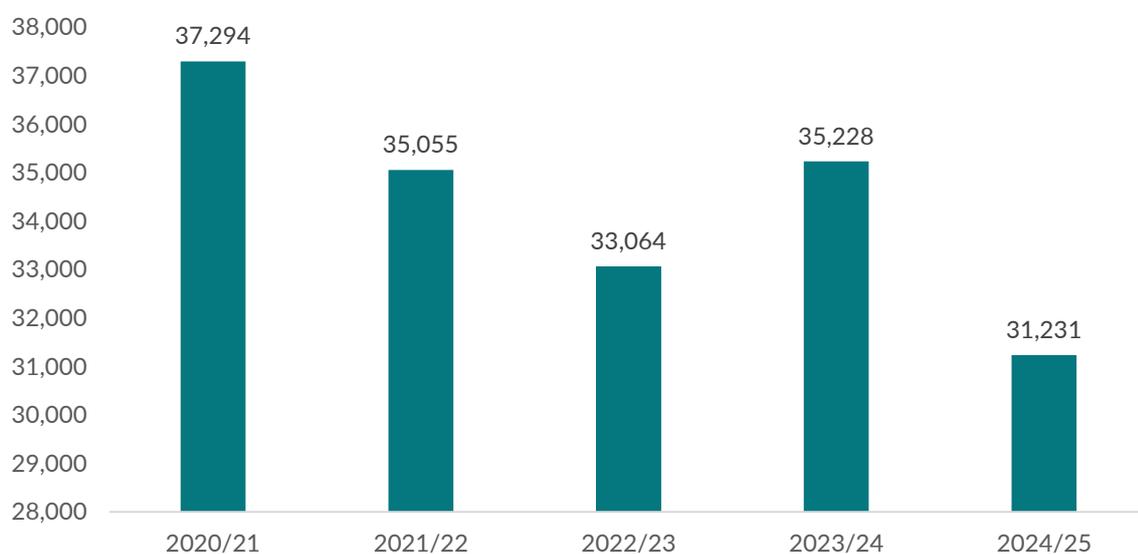
registration certificates were issued within the published service delivery standard turnaround time of 180 working days, at an average turnaround time of 180 working days.

### Trade Mark Renewals

**Figure G. 12 Trade Mark Registration Certificates and Renewals** portrays the volume of Trade Mark renewals over the past five years. Between 2023/24 and 2024/25 there is an indication of marginal increase of trademark renewal with 28, 680 renewals being processed in 2024/25, ninety-five percent (95%) of renewals were processed within the published service delivery standard turnaround time of three (3) working days.

### Trade Mark Official Actions Issued

Figure G. 13: Trade Mark Official Actions



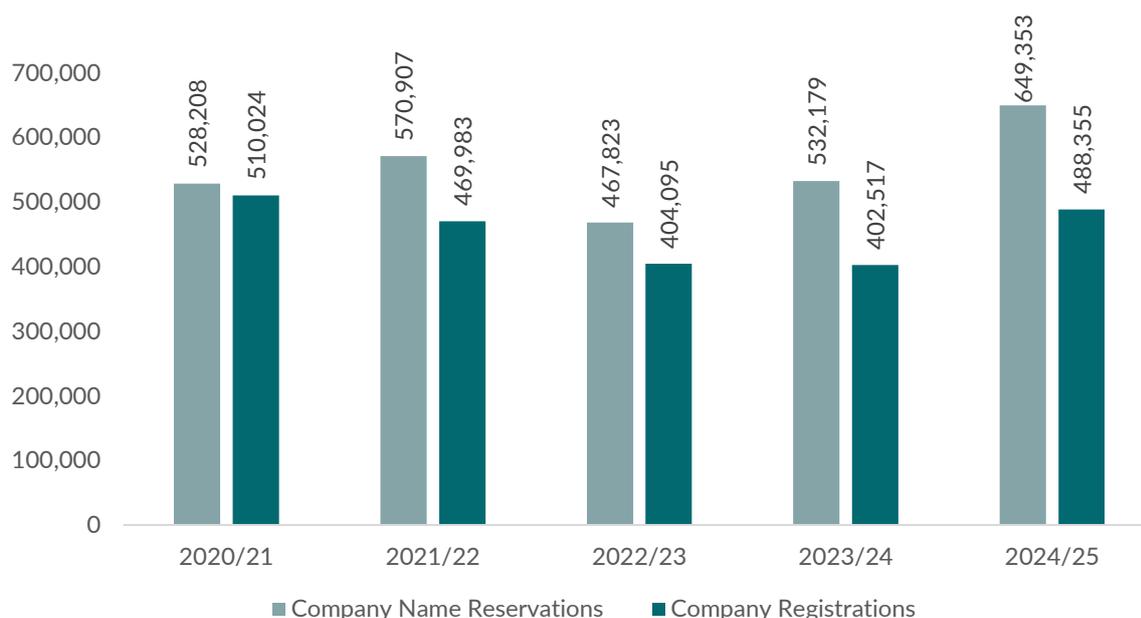
**Figure G. 13 Trade Mark Official Actions** above shows that the number of Trade Mark Official Actions issued in 2024/25 stood at 31, 231 of these, Ninety-two percent (96%) were processed within the appropriate service delivery standard turnaround time of 365 (12 months) working days. There was a number of Trade Mark Official Actions issued in 2022/23 was dramatically less than in 2021/22 (35 055), however in 2023/24 there was an intense increase compared to 2022/23. Nevertheless trademark action could not reach the height of 2020/21 with 37,294 trademark action. Year 2024/25 highlights a significant decrease.

### Company Registrations and Close Corporations

#### Name Reservations

There has been a generally increasing trend with regards to the number of company name reservations over the past five years as depicted in **Figure B. 20: Name Reservations and Company Registrations** below.

Figure G. 14: Name Reservations and Company Registrations



In 2024/25, 649 353 company name reservations were processed compared to 532 179 in 2023/24. It should be noted that there has been a fourteen percent (14%) decrease in manual applications for name reservations, complemented by a twenty-four percent (24%) increase in fully automated name reservations.

#### Company Registrations

There has been a fluctuating trend in terms of company registrations over the past five years, as depicted in **Figure G 14: Name Reservations and Company Registrations** above.

Company registrations have increased in the period 2022/23 to 2024/25. In the financial year 2024/25 488 355 company registrations have been processed, which represents a significant increase compared to 2023/24 wherein 402 517 companies were registered. This is in no small part to final deregistration being affected on companies that are non-compliant with

Ninety-five percent (95%) of company registrations were processed within the published service delivery standard turnaround time of two (2) working days, at an average turnaround time of one (1) working day.

#### Company De-registrations

In the 2024/25 financial year, the CIPC effected the de-registration of companies due to non-compliance with Annual Returns and Beneficial Ownership filings. This has resulted in a dramatic increase in the number of companies de-registered. Additionally, the Commission faced challenges during the financial year stemming from customers' failure to file their annual returns within the stipulated 30-day period following re-instatement. This non-compliance leads to a repetitive cycle of de-registration and subsequent re-instatement applications. Thus, the number of voluntary de-registrations increased dramatically to 677 944 in 2024/25, as depicted in **Table G 3: Company and Close Corporation De-registrations** below.

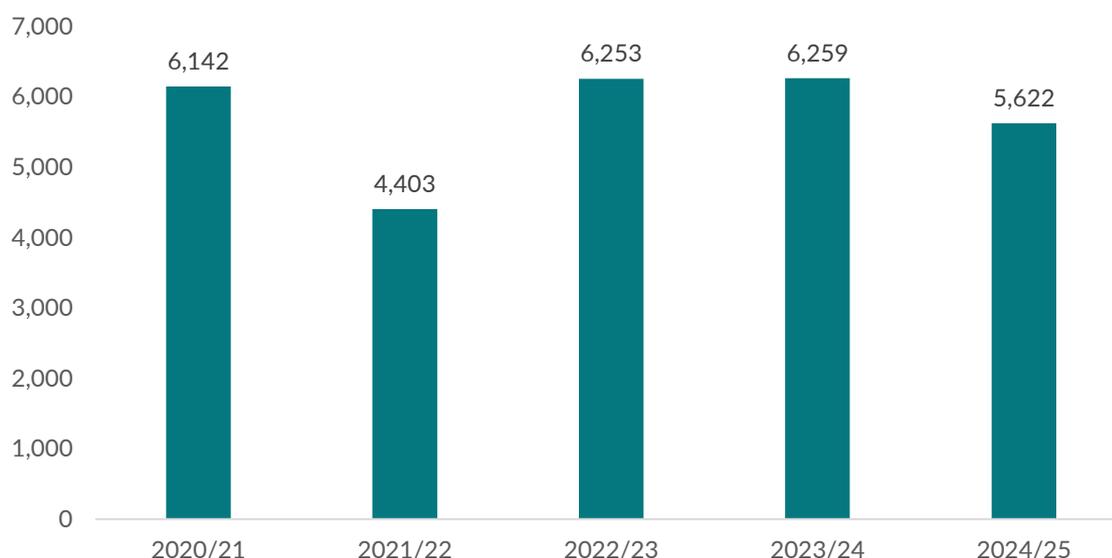
Table G. 3 Company and Close Corporation De-registrations

	2020/21	2021/22	2022/23	2023/24	2024/25
Company and Close Corporation Annual Return Final De-registration	170 617	0	647 853	0	677 944

### Co-operative Registrations

Co-operatives registrations have fluctuated over the last five years. Where a downturn in post-COVID recovery of co-operative registrations is observed in 2024/25 as depicted in **Figure G 15: Co-operative Registrations**. There was a marked decrease in co-operative registrations in 2023/24 compared to the previous financial year, which may be due to challenges faced as a result of the introduction of the automated co-operative registration system.

Figure G. 15: Co-operative Registrations



Further, in 2024/25, one hundred percent (100%) of co-operative registrations were processed within the published service delivery standard turnaround time of three (3) working days at an average turnaround time of one (1) working day.

### Business Rescue

Table G. 4: Status of Business Rescue Proceedings

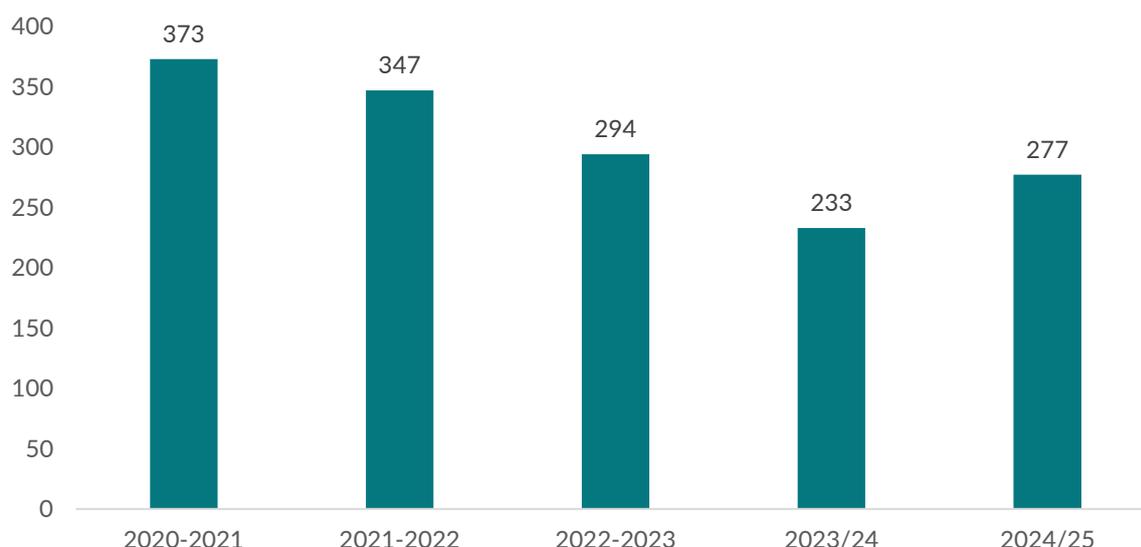
Financial Year	Active	Liquidation	Nullity	Set aside	Substantial	Termination	Grand Total
2011-2012	50	58	111	2	85	77	383
2012-2013	109	67	28	5	109	122	440
2013-2014	115	73	21	6	105	89	409
2014-2015	114	73	26	4	101	95	413
2015-2016	142	74	24		88	153	481
2016-2017	104	56	17	3	79	116	375
2017-2018	126	41	22	2	66	105	362

Financial Year	Active	Liquidation	Nullity	Set aside	Substantial	Termination	Grand Total
2018-2019	132	38	32	5	61	81	349
2019-2020	159	39	15	4	84	72	373
2020-2021	178	35	6	2	98	54	373
2021-2022	211	23	9		46	58	347
2022-2023	249	8	3		14	20	294
2023-2024	82	23	0	0	64	64	232
2024-2025	34	35	0	0	113	95	277
<b>Grand Total</b>	<b>1805</b>	<b>643</b>	<b>314</b>	<b>33</b>	<b>1113</b>	<b>1201</b>	<b>5108</b>

There has been a general decline of business rescue over the last five year since 2020/21, however, a notable increase in cases has been observed in 2024/25.

This suggests that not only are fewer business rescue proceedings have been instituted per annum for the preceding five-year period - but also that fewer proceedings reach the point of finalisation within a year, resulting in a potential backlog of business rescue proceeding cases. The latter being further exacerbated by an increase in cases on the financial year under review.

Figure G. 16: Business Rescue Proceedings Commenced



## 1.1.2 Compliance and enforcement

### Annual Returns

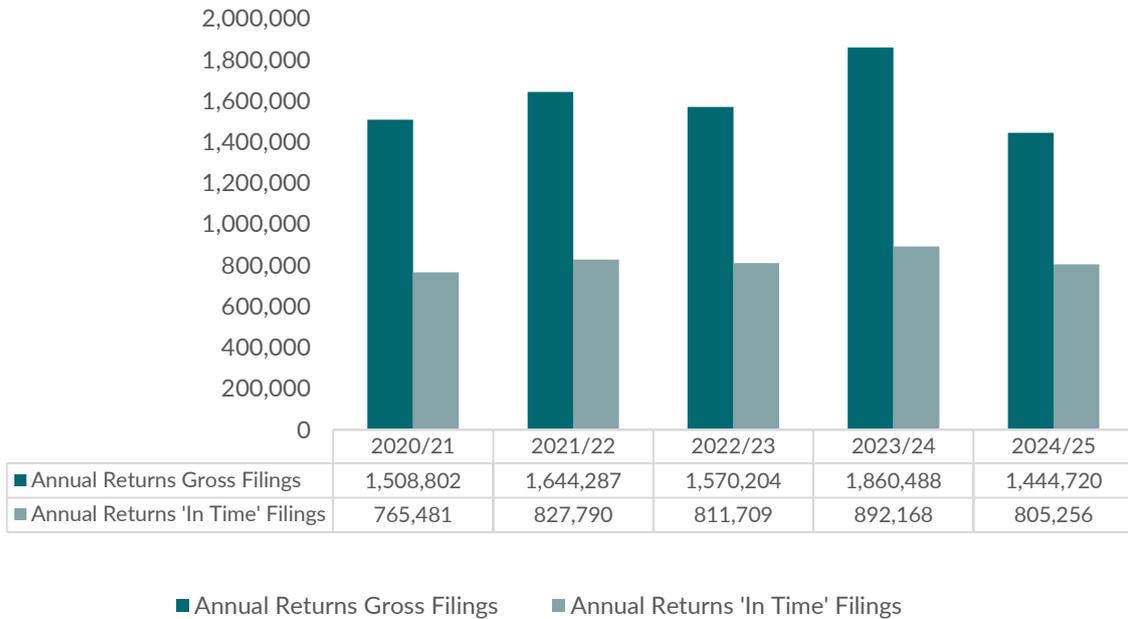
As depicted in **Table G 5: Annual Returns Filings** below, Annual Return 'in time filings' increased by 80 459 filings (or 10%) compared to 2023/24.

Table G. 5: Annual Returns Filings

CIPC Services	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Annual Returns Gross Filings</b>	1 508 802	1 644 287	1 570 204	1 860 488	1 445 720

CIPC Services	2020/21	2021/22	2022/23	2023/24	2024/25
Annual Returns 'in time' Filings	765 481	827 790	811 709	892 168	805 301

Figure G. 17: Annual Return Gross Filing vs 'In Time' Filings



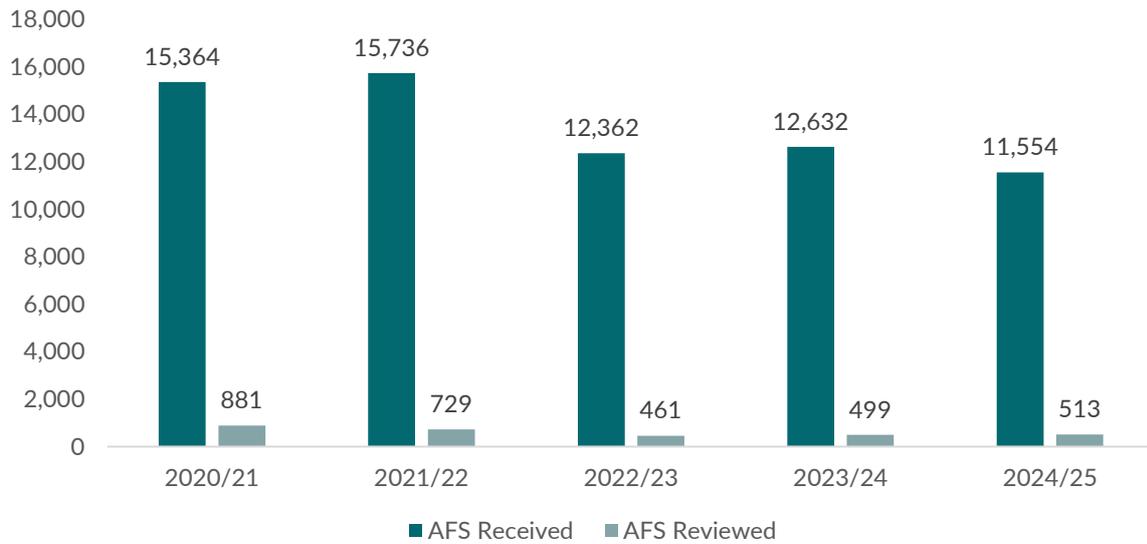
### Annual Financial Statements

**Table G. 6: Annual Financial Statements and Figure G. 18 Annual Financial Statements Received and Reviewed** depict the volume of Annual Financial Statements filed and reviewed between 2020/21 and 2024/25.

Table G. 6: Annual Financial Statements

	2020/21	2021/22	2022/23	2023/24	2024/25
AFS Received	15 364	15 736	12 362	12 632	11 494
AFS Reviewed	881	729	461	499	513

Figure G. 18: Annual Financial Statements Received and Reviewed



The volumes received, although fluctuating, demonstrate compliance by industry to our requirements for filing of Annual Financial Statements, as well as the commitment by reviewers to monitor compliance of Annual Financial Statements with IFRS and the Companies Act.

### 2024/25 YEAR-END XBRL OVERVIEW

#### ANNUAL FILING STATISTICS SUMMARY:

- Total number of filings since implementation of XBRL = **87256**
- Total number of unique filings since implementation of XBRL = **30240**
- Total number of filings for March 2025 = **1040**
- IFRS-Full filings since implementation of XBRL = **44 504**
- IFRS-SME filings since implementation of XBRL = **42 646**
- GRAP filings since pilot implementation of GRAP = **100**
- Co-operative filings since pilot implementation of Co-ops = **18**
- Not applicable = **1**

Figure G. 19: XBRL Filings Comparison, 2021/22-2024/25

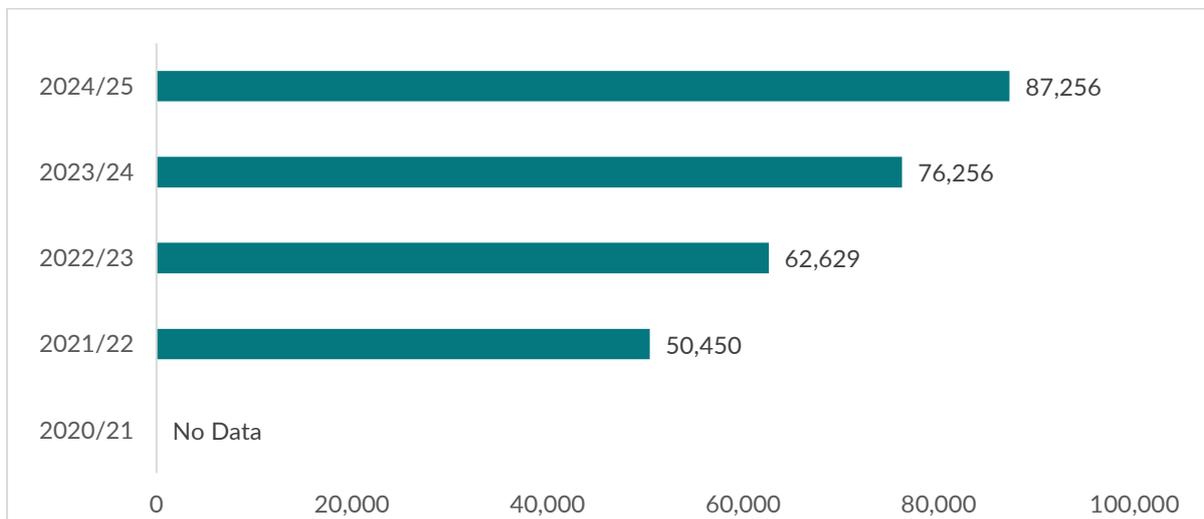


Table G. 7: Reported Irregularities

	Q1	Q2	Q3	Q4
<b>Opening Balance</b>	136	143	157	171
<b>Cases Received</b>	41	23	25	89
<b>Closed Cases</b>	34	9	11	55
<b>Closing Balance</b>	143	157	171	205

Figure G. 20 Reportable Irregularities, Five-year Trend Analysis

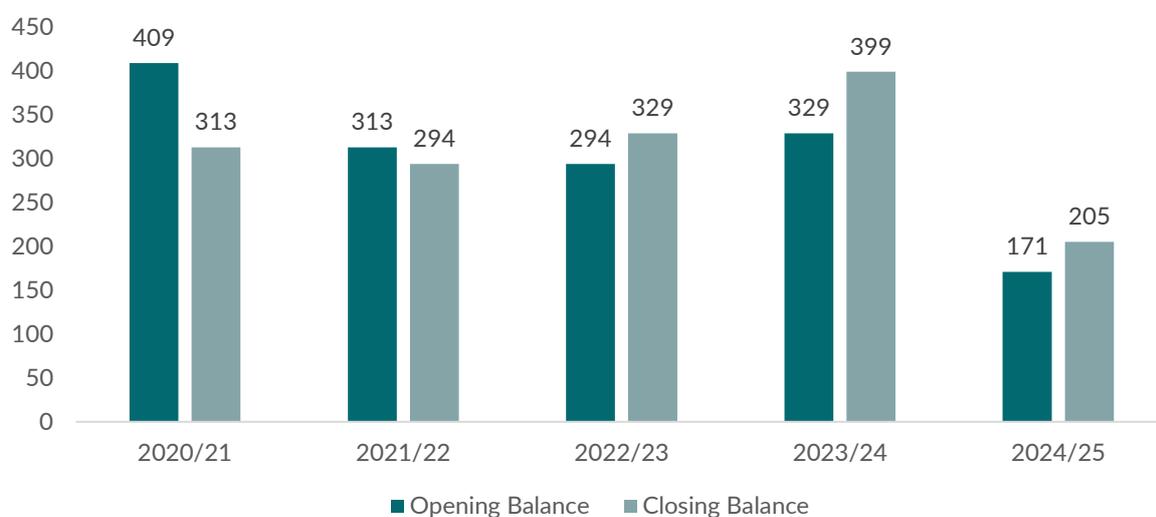


Table G. 8: High Profile Companies under Investigation

High Impact Cases
<b>2024/25</b>
<b>2023/24</b>
Nova PropGrow Group Limited (Compliance Notice Issued) (Contested at the Companies Tribunal)
GUD Holdings (High Court ruled in CIPC favour) (Company appealing the judgment)
SE1 Empowerment (Liquidation Order granted in CIPC favour) (Delinquency order being appealed by CIPC)
Young Women’s Business Network (YWBN) (Compliance Notice by CIPC contested at the Companies Tribunal)
Communicare NPC (Companies Act Non-Compliance still under Investigation)
JM Aviation (Linked to State Capture – matter being pursued through State Attorney – Counsel Appointed)
Homix (Linked to State Capture – matter being pursued through State Attorney – Counsel Appointed)
Mr Mitesh Mahanlal Patel Delinquency case being pursued through State Attorney – Counsel Appointed)
<b>2022/23</b>
Nova PropGrow Group Limited (Compliance Notice Stages)

## High Impact Cases

GUD Holdings (Tribunal decision taken on review at High Court)

Nova PropGrow Group Limited (being defended in the Tribunal, process initiated in the Courts)

GUD Holdings (Matter being pursued through courts officially, affidavits submitted)

SE1 Empowerment (Liquidation proceedings being pursued through court, sat on 05 October)

Nutritional Holdings Ltd

Solidarity Fund NPC

Ayo Technology Solutions Ltd

Outsourced Risk and Compliance Assessment (Pty) Ltd

GUD Holdings (Hearing held on the matter, judgment was reserved)

SE1 Empowerment (Court hearing on the delinquency request heard on 24 April 2023)

Eskom Holdings SOC Ltd (Inaccurate financial statements reported, matter being escalated to the Board)

2021/22

South African Post Office SOC

Communicare NPC

Denel SOC

Attacq Ltd

Cipla Medpro South Africa

Medpro Pharmaceutica

Nova Propgrow Group Holdings

Young Women's Business Network (YWBN)

Eureka Beperk

Agilitee Pty Ltd

GUD Holdings Pty Ltd

2020/21

Pembury Lifestyle Group Limited (Reportable Irregularity)

JD Properties (AFS Filings)

Ainsley Holdings Limited (AFS Filings)

Steinhoff (AFS Filings)

Communicare NPC (Companies Act Non-Compliance)

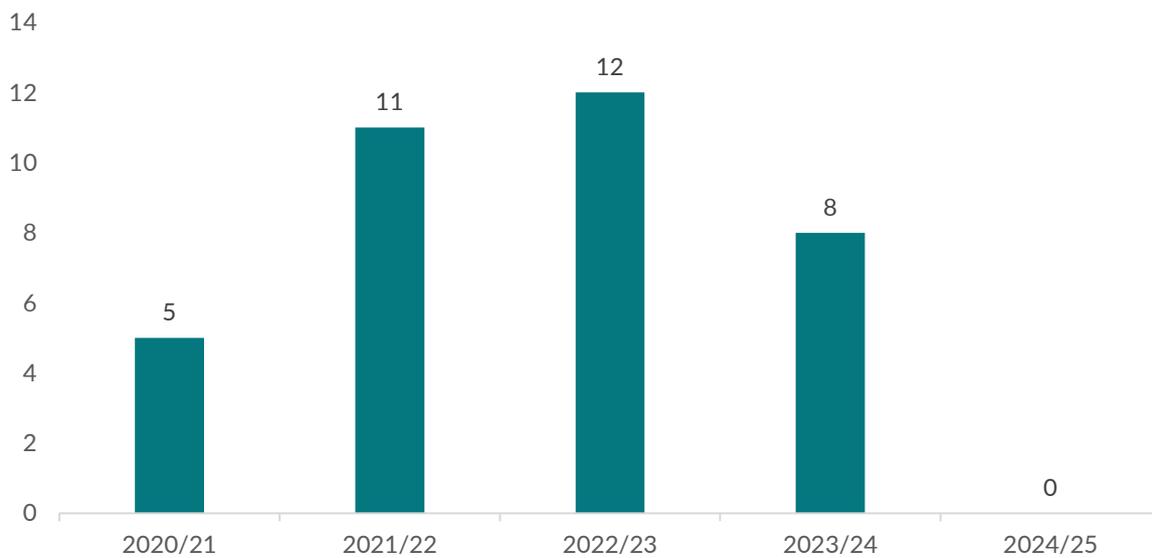
2019/2020

*\*Specific Case Related Data Unavailable*

2018/2019

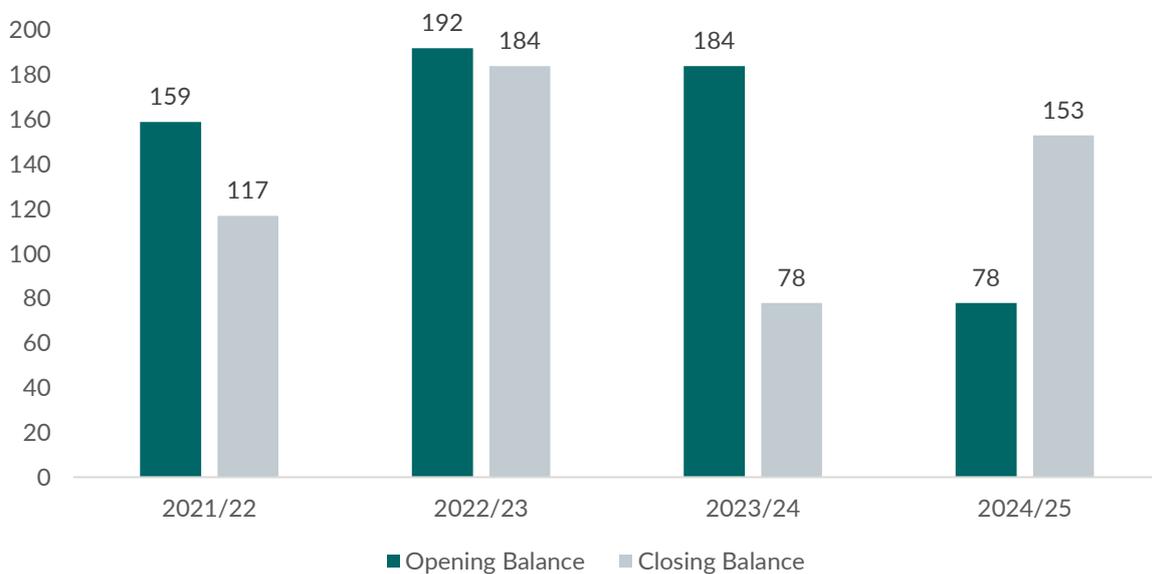
*\*Specific Case Related Data Unavailable*

Figure G. 21: Comparison of High Impact / High Profile Cases



**Figure G. 21: Comparison of High Impact / High Profile Cases** depicts for the current reporting period 2023/24 only eight (8) high profile cases were investigated this indicates a drop from the twelve (12) high profile cases that were investigated in the year 2022/23. Interestingly, the number of high-impact, high-profile cases was slightly increasing each year since 2020/21 up until 2023/24 were the number decreased.

Figure G. 22: Independent Review: Regulation 29, Year-on-year Comparison

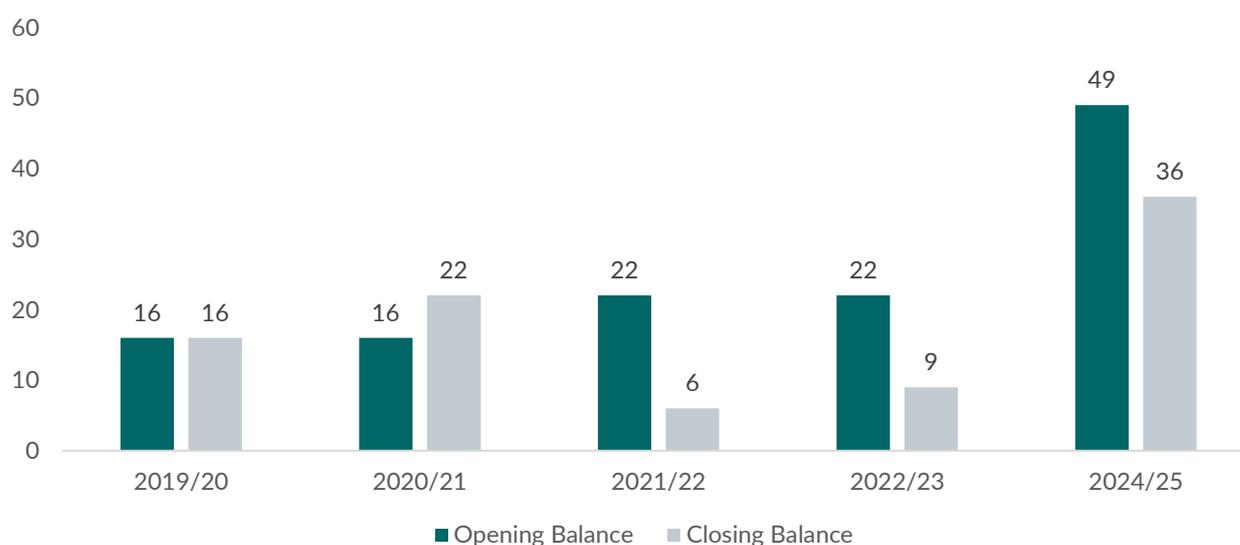


**Figure G. 22: Independent Review: Regulation 29, Year-on-year Comparison** depicts the number of Independent Review: Regulation 29 cases over the past five years, which has steadily declined over the years, to 117 cases at the end of 2022/23. However, there has been a marginal significant in 2024/25.

Further, Cold Case matters have been reduced from 22 at the start of 2022/23, to 9 at the close of the period. Moreover, over the past five years, Cold Case Matters have been fluctuating until noticeable declines were observed at the close of 2021/22 (6) and 2022/23 (9). This indicates that Cold Case matters are being resolved, one way or another, at a quicker

rate. In 2024/2 there was an increase in cold cases, with an opening balance of 49 and closing balance of 36.

Figure G. 23 Comparison of Cold Case Matters



**Table G. 9: Prospectuses below, depicts the breakdown of Prospectuses lodged during the 2024/25 review period.**

Table G. 9: Prospectuses in 2023/24

Company Name	Prospectus	Final Prospectus	Current Status
<b>2024/25</b>			
Industrial Parks EP39 LIMITED	Final	Registered	Registered
Gogetta Limited	Final	Pending	Pending
Industrial Parks EP39 LIMITED	Supplemental	Not registered	Not registered
Opportunity Capital Investments Limited	Final	Registered	Registered
Devonbosch EP41 Limited	Final	Registered	Registered
Supple Group PLC	Draft	Pending	Pending
Destinata Equity	Final	Registered	Registered
Devonbosch EP41 Limited	Supplemental	Registered	Registered
Bailey Volley EP42 Limited	Final	Registered	Registered
WFA Holdings Limited	Final	Registered	Registered
Altvest Capital Limited	Final	Registered	Registered
Opportunity Capital Investments Limited	Final	Registered	Registered
Eridanus Limited	Final	Registered	Registered
Tungsten EP43 Limited	Final	Registered	Registered
Westbrooke Yield PLC	Final	Registered	Registered

Company Name	Prospectus	Final Prospectus	Current Status
Orlando EP44 Limited	Draft	Final Pending	Pending
International Opportunities Limited	Draft	Final Pending	Pending
Twenty One EP45 Limited	Final	Registered	Registered
Eridanus Limited	Draft	Final Pending	Pending
Apex Capital Partners Limited	Final	Registered	Registered
The Dawn EP46 Limited	Final	Registered	Registered
Nova Growth Limited	Final	Registered	Registered
Monarch EP47 Limited	Final	Registered	Registered
<b>2023/24</b>			
Blackbrick Gardens EP 33 LTD		Final	Registered
Gogetta LTD		Final	Registered
ERIDANUS LIMITED		Final	Registered
PEGASUS UA LIMITED		Final	Registered
ERIDANUS LIMITED	Draft	Pending	Pending
AKARU EP32 LIMITED		Final	Registered
ROOKLYN VOLLEY EP 30 LIMITED			
AE EXPLORATION HOLDINGS (PTY) LTD		Final	Registered
NBGD LIMITED		Final	Registered
ROYAL BHEJANE (RF) LTD		Final	Registered
WESTBROOK YIELD PLUS PLC		Final	Registered
FYNBOS TWO EP31 LIMITED		Final	Registered
RENCELL II LIMITED	Draft	Pending	Pending
NBGD LIMITED		Final	Registered
BERLINA PROPERTY INVESTMENT LIMITED	Draft	Pending	Pending
SEAHORSE EP34 LIMITED		Final	Registered
OPTIMAL INVESTMENT GROWTH BASKET LIMITED 2		Final	Registered
40ONL EP36 LIMITED		Final	Registered
APEX CAPITAL PARTNERS LIMITED	Draft	Pending	Pending
ROYAL BHEJANE (RF) LTD			
GOGETTA LIMITED	Draft	Pending	Pending
SEAHORSE EP34 LIMITED		Final	Registered
MILLENIAL EP35 LIMITED		Pending	Pending

Company Name	Prospectus	Final Prospectus	Current Status
EQVEST LIMITED		Pending	Pending
THE PEOPLES FUND LIMITED		Pending	Pending
GOGETTA LIMITED		Final	Registered
Millenial EP35 LIMITED		Final	Registered
EQVEST LIMITED		Final	Registered
Lallybroch EP37 LIMITED		Final	Registered
POWERFLEET INC	Draft	Pending	Pending
GOGETTA LIMITED		Final	Registered
WESTBROOK YIELD PLUS PLC		Final	Registered
LALLYBROCH EP37 LIMITED		Final	Registered
POWERFLEET INC		Final	Registered
BB BEDFORDVIEW EP38 LIMITED	Draft	Pending	Pending
Mos Uitreiker LIMITED		Final	Registered
The Peoples Fund LIMITED		Final	Registered
China Seas Baskert LIMITED	Draft	Pending	Pending
Cylo Cybin Holdings LIMITED		Final	Registered
Mos Uitreiker LIMITED		Final	Registered
China Seas Baskert LIMITED		Final	Registered
Industrial Parks EP39 LIMITED		Final	Registered
Westbrooke Yield Plus PLC		Final	Registered
<b>2022/23</b>			
Silverleaf Investments Limited		Final	Registered
HP House EP20 Limited		Final	Registered
Saxon Square EP20 Limited		Final	Registered
Raltech Limited		Final	Registered
Capital on Bath EP 19 Limited		Final	Registered
Carrington EP18 Limited		Final	Registered
Crowdprop (RF) Limited		Final	Registered
Westbrooke Rhythm Growth Opportunities Fund Plc	Draft		Pending
Cilo Cybin Holdings Limited	Draft		Pending
Labcorp Limited	Draft		Pending
Bb Sandton Two EP 21 Limited		Final	Registered
Lighthouse Properties PLC			
Hp House EP 20 Limited		Final	Registered
Fynbos EP 22 Limited		Final	Registered
Old Mutual Bula Tsela Retail Scheme Limited		Final	Registered

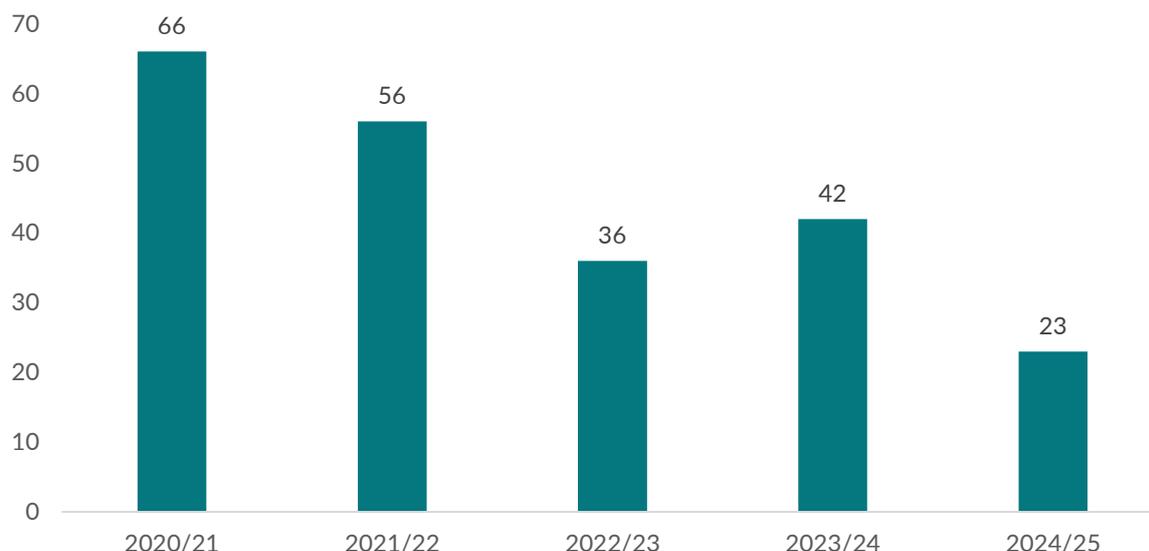
Company Name	Prospectus	Final Prospectus	Current Status
Altvest Capital Limited	Draft		Pending
The Duke EP 23 Limited		Final	Registered
Go Getta Limited		Final	Registered
Asia Pacific Basket Limited	Draft		Pending
One on Anne EP 24 Limited		Final	Registered
The One EP 29 Limited		Final	Registered
Senwes Limited		Final	Registered
K2022827815 (South Africa) Limited No 33 of 2022	Draft		Pending
The Edge EP 28 Limited		Final	Registered
Sunside Acquisitions Limited	Draft		Pending
Go Getta Limited		Final	Registered
K2022827815 (South Africa) Limited No 33 of 2022		Final	Registered
Sunside Acquisitions Limited		Final	Registered
Go Getta Limited		Final	Registered
Magni Resources Limited	Draft		Awaiting Final
Brittanic Opportunities Limited		Final	Registered
The Edge EP 28 Limited		Final	Registered
Brooklyn Volley EP 30 Limited		Final	Registered
Pegasus Limited	Draft		Awaiting Final
The One EP 29 Limited		Final	Registered
Sunside Acquisitions Limited	Draft		Awaiting Final
2021/22			
Kalon Venture Partners Fund II	April	Registered	Registered
Polo Fields EP 7	April	Registered	Registered
Destinata Capital	April	Registered	Registered
Gaia Venture Capital	April	Registered	Registered
Euphoric Capital	April	Pending	Pending
Northam Platinum Holdings	April	Registered	Registered
Anuva Private Equity	April	Registered	Registered
Exchange Lofts EP 6	May	Registered	Registered
Ap Global Investments	May	Registered	Registered
Ap Global Investments	May	Registered	Registered
Optomise Ventures	May	Registered	Registered
Ora Capital	May	Registered	Registered
Westbrooke Stac 2021	May	Registered	Registered
Westbrook Aria 2022	May	Registered	Registered
Decentral Energy Capital	May	Registered	Registered
Eridanus VC 1	May	Pending	Pending
12 Cape	May	Registered	Registered
Groundstone Capital	May	Pending	Pending

Company Name	Prospectus	Final Prospectus	Current Status
International Titans Basket	May	Pending	Pending
Olive Venture Capital	May	Registered	Registered
Exponential Venture Capital	June	Registered	Registered
Monroe EP 8	June	Registered	Registered
Perseus VC 1	June	Pending	Pending
Hasanaat Capital	June	Registered	Registered
Capitale Student Housing Fund	June	Pending	Pending
Delta VC 1	June	Registered	Registered
Jaltech Digital Asset Holdings Limited (RF)	Final	Registered	Registered
Westbrooke Yield Plus PLC 2-3-1	Final	Registered	Registered
Ballito Groves EP 10 Limited	Supplement	Registered	Registered
Athena Education (IOM) PLC 2-3-1	Final	Registered	Registered
Monroe EP 8 Limited	Supplement	Registered	Registered
Sea Point Four 11	Draft	Pending	Pending Final
Crowdprop	Draft	Pending	Pending Final
Crowdprop (RF) Limited No 55 Of 2021	Final	Pending	Pending
Bailey EP 12 Limited No 56 of 2021	Final	Registered	Registered
Destinata Equity Fund Limited No 57 of 2021	Final	Registered	Registered
Sea Point Four EP 11 Limited No 54 of 2021	Final	Registered	Registered
Brait Malta Limited 18308 GBC No 58 of 2021	Final	Registered	Registered
The Reid EP 13 Limited No 59 of 2021	Final	Registered	Registered
Rencell II Limited No 60 of 2021	Final	Registered	Registered
Infinity Invest Limited No 61 of 2021	Draft	Final Pending	Pending
Sa Khadinang Limited No 62 of 2021	Draft	Final Pending	Pending
Areit Prop Limited No 63 of 2021	Draft	Final Pending	Pending
Sunside Acquisitions Limited No 64 of 2021	Draft	Final Pending	Pending
Rockefeller 2 EP 15 Limited No 65 of 2021	Final	Registered	Registered
Ballito Hills EP 16 Limited No 66 of 2021	Final	Registered	Registered
Crowdprop (RF) Limited No 55 of 2021	Final	Pending	Pending
Infinity Invest Limited No 61 of 2021	Draft	Final Pending	Pending
Sa Khadinang Limited No 62 of 2021	Draft	Final Pending	Pending
Areit Prop Limited No 63 of 2021	Final	Registered	Registered
Sunside Acquisitions Limited No 64 of 2021	Final	Registered	Registered

Company Name	Prospectus	Final Prospectus	Current Status
Media Mill EP 17 Limited	Final	Registered	Registered
Eridanus VC 1 Limited	Final	Pending	Pending
East Asian Growth Basket Limited	Final	Pending	Pending
Raltech Limited	Final	Pending	Pending
Westbrooke Yield Plus PLC	Final	Pending	Pending
<b>2020/21</b>			
Destinata Capital Limited	May	Registered	Registered
China Seas Basket	May	Registered	Registered
Business Venture Investments	May	Pending	Pending
Blackbrickep 1	June	Registered	Registered
Rockefeller EP 1	June	Registered	Registered
Fritzgerald EP 1	June	Registered	Registered
Greenreef EP 1	June	Registered	Registered
Olive VCC	June	Registered	Registered
Blackbrick EP 1	July	Registered	Registered
Reockefeller EP 1	July	Registered	Registered
Fritzgerald Ep1	July	Registered	Registered
Greenreef EP 1	July	Registered	Registered
Olive VCC	July	Registered	Registered
Illovo Stack Retail 1	August	Registered	Registered
Mdluli Safari Lodge	August	Registered	Registered
Blyde EP 2	August	Registered	Registered
Vega VC 1	August	Pending	Pending
Greenpark EP 3	September	Pending	Pending
Advanced Investment Holdings	September	Pending	Pending
Greenpark EP 3	October	Registered	Registered
Advanced Investment Holdings	October	Registered	Registered
Destinata Capital Limited	October	Registered	Registered
Infinity Anchor Fund	November	Registered	Registered
Zimbali Capital	November	Registered	Registered
Mdluli Safari Lodge	November	Pending	Pending
Sunstone Capital	November	Registered	Registered
Hasanaat Capital	November	Registered	Registered
Euphoric Capital	November	Registered	Registered
AP Global	November	Registered	Registered
Aurik Capital	November	Registered	Registered
Big Sky Fund	November	Registered	Registered
Big Sky Fund	November	Registered	Registered
Optonmise Ventures	December	Pending	Pending
Olive Venture Capital	December	Registered	Registered
Delta	December	Pending	Pending
Decentral Capital	December	Registered	Registered

Company Name	Prospectus	Final Prospectus	Current Status
Westbrooke 2021	December	Registered	Registered
Exponential Capital	December	Pending	Pending
Westbrooke 2021	December	Registered	Registered
Gaia Venture Capital	December	Registered	Registered
Aeex South Arica	December	Registered	Registered
Bright VCC	December	Registered	Registered
Kalon Partner Fund II	December	Pending	Pending
Karooooo	January	Registered	Registered
Eridanus VC 1	January	Registered	Registered
Nesa Holdings	January	Registered	Registered
Silverleaf Investments	January	Registered	Registered
Westbrook Stac 2021	January	Registered	Registered
Rencell	February	Registered	Registered
Ora Capital	February	Registered	Registered
Anuva Private Equity	February	Registered	Registered
Blackbrick CT EP 4	February	Registered	Registered
Perseus VC 1	February	Registered	Registered
Pegasus UA Ltd	February	Registered	Registered
Cryptique Ltd	February	Registered	Registered
Leaf 12 J Fund RF	March	Registered	Registered
Sab Zenzele Kabili	March	Registered	Registered
Seven On Main EP 5	March	Registered	Registered
Infinity Anchor Fund	March	Registered	Registered
Vega VC 1	March	Registered	Registered
Aeex South Africa	March	Registered	Registered
Mdluli Safari Lodge	March	Pending	Pending
Rencell	March	Pending	Pending
Silverleaf Investment	March	Pending	Pending
Sa Khadinang	March	Pending	Pending
Sunstone Capital	March	Pending	Pending
2019/20			
*No Case Specific Data Available			

Figure G. 24: Comparison of the Number of Prospectuses Lodged, 2020/21 – 2024/25



Further, as per **Figure G. 24: Comparison of the Number of Prospectuses Lodged** above, the number of Prospectuses lodged has exhibited a downward trend over the past five years. The number of prospectuses has fallen from a high of 66 in 2020/21 to 23 in 2024/25.

*Corporate Governance, Surveillance and Enforcement*

**Table G. 13: Statistics for Cases** is a summary of the statistics of cases per quarter during 2022/23, while **Table G. 10: Case Register and Allegations**, below, is a summary of cases and allegations over a five-year period.

Table G. 10: Statistics for Cases

	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Cases Received</b>	290	451	248	325	478
<b>Cases Escalated</b>	177	273	86	57	88
<b>Cases Closed</b>	57	27	143	180	325
<b>Cases Pending</b>	56	151	19	88	65

**Figure G.25: Annual Comparison of Statistics for Cases** depicts an annual comparison between 2020/21 and 2023/24 of case statistics. It shows an increasing trend in the number of cases received between 2022/23 and 2024/25

Figure G. 25: Annual Comparison of Statistics for Cases

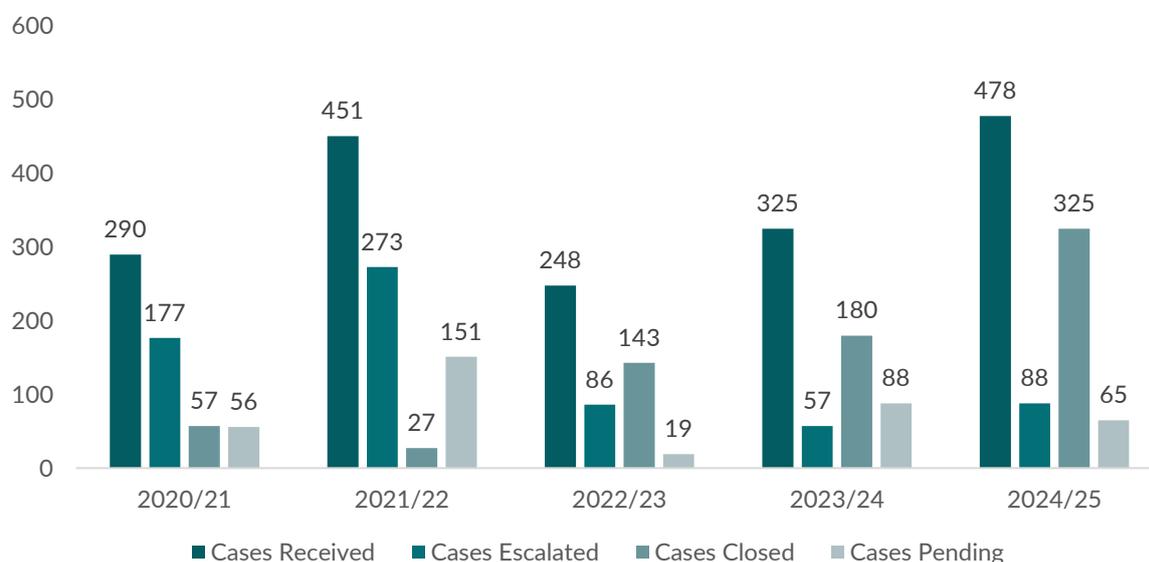


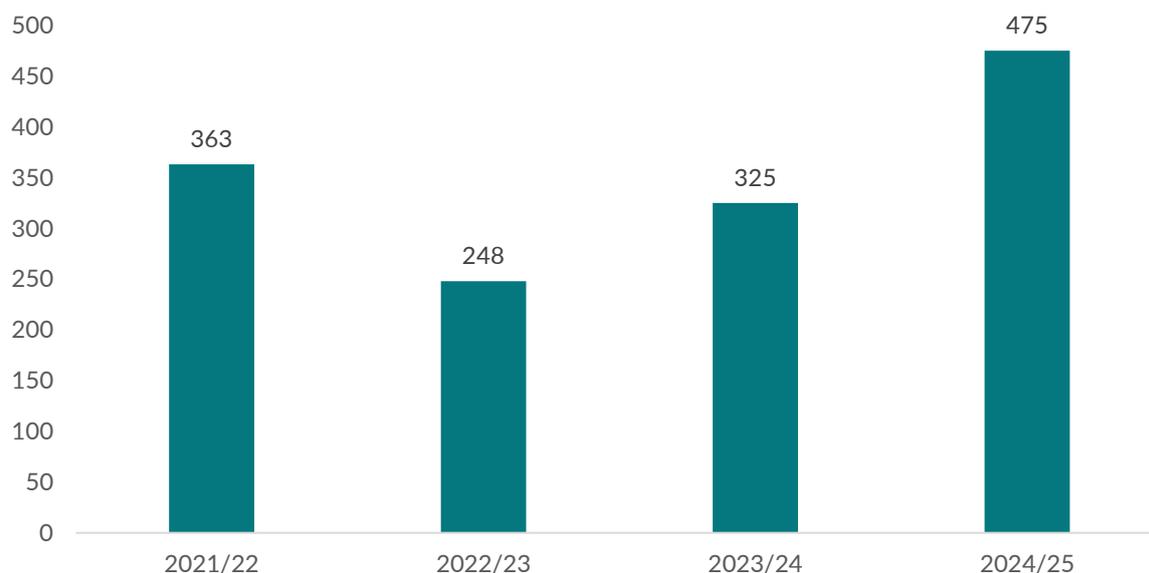
Table G. 11: Case Register and Allegations, 2021/22 – 2024/25

Type of Contravention	Number
<b>2024/25</b>	
Sec 76 Director's Misconduct	82
Sec 71 Unauthorised removal of director	92
Sec 70(6) Resigned as director, failure to update records	29
Sec 26 Access to company records	28
Sec 66 Unauthorised appointment of director	60
Unauthorised changes of a member	29
Sec 214 False information filed	30
Reckless trading	26
Sec 30 Financial Statements not prepared	14
Shareholders' Rights	5
False Financial Statements	3
Company records not updated	14
False company record	2
Special Resolution not filed	0
Company registered without knowledge	0
No securities register	4
Coops mismanagement	27
Financial Assistance	3
Falsification of Financial Statements	0
Contravention of Section 11	0
Share Certification not issued	0
Non-disclosure of disqualified director	2
Shareholders meeting not held	5

Type of Contravention	Number
Incomplete accounting records	0
Inconsistent with MOI	16
No BPR Appointed	1
Fiduciary Duty of Member	1
Director Delinquency Application 2023/24	2
Sec 71 Unauthorized removal of director	60
Sec 70(6) Resigned as director but still appears on company records	55
Sec 76 Directors misconduct	41
Sec 66 Unauthorized appointment of director	31
Unauthorized changes of a member	22
Sec 26 Access to company records	21
Sec 22 Reckless trading	13
Company records not updated	12
Sec 30 Financial Statements not prepared	12
Directors' disputes	11
Shareholders rights	11
Sec 15 Inconsistent with the MOI	10
Sec 215 False information filed	9
Coops mismanagement	4
Sec 214 False financial statements	2
Company registered without knowledge	2
Sec 85 Company Secretary not appointed	2
Sec 69 Disqualified director appointed	2
Sec 45 Financial Assistance	2
Sec 50- No securities Register	1
Sec 23 - Use and publication of company names	1
Sec 61 Shareholders meeting not held	1
<b>Total</b>	<b>325</b>
<b>2022/23</b>	
Director's misconduct	49
Unauthorised removal of director	47
Resigned as director but still appears on company records	34
Access to company records	32
Unauthorised appointment of director	30
Unauthorised changes of a member	15
False information filed	8
Reckless trading	8
Financial Statements not prepared	3
Shareholders' rights	2
False financial statements	2
Company records not updated	2
False company records	2
Special resolution not filed	1
Company registered without knowledge	1

Type of Contravention	Number
Deceased member not removed	1
Company deregistered but reinstated without consent	1
Shares unlawfully sold	1
Falsification of Financial statements	1
Contravention of Section 11	1
Share Certificate not issued	1
Non-disclosure of disqualified director	1
Shareholders meeting not held	1
Incomplete Accounting Records	1
Inconsistent with the MOI	1
<b>Total</b>	<b>246</b>
<b>2021/22</b>	
Vacant on Board/ Resignation of directors S70, S70 (6) and Removal of directors S71 including process issues in terms of CoR39, director amendments	76
Homeowners Association, NPO	14
MOI dispute among directors	28
Failure to hold AGM	16
S26 Disclosure of company documents	24
Breach of contract dispute	66
Liquidation matter	45
S160 (2) (b) Name dispute/correct address/	31
Directors and Auditors details not a true reflection of company records	59
BEE Requirement	4
<b>Total</b>	<b>363</b>

Figure G. 26: Case Register and Allegations Annual Comparison



As can be observed in the **Table G. 11: Case Register and Allegations** above, director's misconduct, unauthorised removal of a director, resignation as director but still appears on company records, unauthorised access to company records and unauthorised appointment of a director, constituted the most common types of alleged contraventions in 2024/25.

Between 2023/24 and 2022/23, the number of cases and allegations has increased significantly, as can be observed in **Figure G. 26: Case Register and Allegations Annual Comparison** above.

*Beneficial Ownership Enforcement*

**Table G. 12: Annual Comparison of Statistics for Beneficial Ownership Enforcement**, below, is a summary of investigations since the inception of the Beneficial Ownership Register and enforcement of the same.

*Table G. 12: Annual Comparison of Statistics for Beneficial Ownership Enforcement*

BO Enforcement	FY2023/24	FY2024/25	Total
	Oct 2023 – Mar 2024	Apr 2024 – Mar 2025	
<b>Allocation</b>	<b>70</b>	<b>339</b>	<b>409</b>
Closed on Engagement	25	140	165
Closed on CoR137.1	2	16	18
Closed – CoR -Compliance Notice (CN)	14	54	68
Remedial Actions – CN	16	58	74
AR Final De-Registered	13	45	58
Admin Fines & NPA	4	0	4
<b>Total Closed</b>	<b>70</b>	<b>313</b>	<b>383</b>
Engaged	0	21	21
CoR137.1 Appointment	0	5	5
<b>Pending</b>	<b>0</b>	<b>26</b>	<b>26</b>
CoR137.1	40	103	143
CoR139.1	43	144	187
CoR139.2 – Compliance Certificate (CC)	7	43	50
Enterprise Status Change (ESC)	35	94	129
Administrative Fines	5	-	5
NPA Referral for Prosecution	1	-	1

### 1.1.3 Client Engagement

**Table G. 27: Call Centre, QRS, Facebook and Twitter** below depicts traffic in terms of customer contact channel activity over the past five years.

Table G. 13: Call Centre, QRS, Facebook and Twitter, Annually

Platform	Description	2020/21	2021/22	2022/23	2023/24	2024/25
Call Centre	Calls Received	No Data	No Data	118 049 <sup>7</sup>	269,988	384 449
	Calls Answered	134 912	118 796	145 404 <sup>8</sup>	160,642	177 390
	Calls Answered %	Not determinable	Not determinable	Not determinable	63%	46%
Query Resolution System	Queries Received	122 629	170 895	177 679	128,951 <sup>9</sup>	N/A
	Queries Closed	119 304	168 058	170 204	124,373 <sup>10</sup>	N/A
	Queries Closed within 10 Days	97%	98%	92%	94 <sup>11</sup> %	N/A
Facebook	Queries Received	81 902	59 836	35 918	47,523	54 674
	Queries Resolved	68 331	56 246	30 809	41,495	52 406
	Queries Resolved (%)	83%	94%	84%	88%	98%
Twitter	Queries Received	41 587	20 170	11 885	8,011	16 365
	Queries Resolved	13 527	17 750	8 911	6,865	15 978
	Queries Resolved (%)	33%	88%	70%	85%	98%

The call centre percentage of calls answered in 2024/25 has exhibited a significant decrease from 2023/24 where 63% answer rate was achieved to 43% in 2024/25. This is associated with a significant increase in the volume of calls received by the call centre. The increase can be attributed to several events and initiative that coincided including, among others:

- The final de-registration of companies that were non-compliant with Annual Returns
- Implementation of BO hardstop
- Mandatory Registration of Spaza Shops
- Automation of co-operatives processes

The increased call times and resulting backlog placed considerable pressure on available resources. In response, the Commission has recruited new staff to provide additional capacity. Furthermore, measures are being implemented to support long-term efficiency, including an independent review of call centre operations and a customer segmentation initiative.

<sup>7</sup> Number represents calls received only during Quarter 3 and Quarter 4.

<sup>8</sup> Number represents all calls received during the year.

<sup>9</sup> Number represents queries received only during Quarter 1, Quarter 2, and Quarter 3

<sup>10</sup> Number represents queries closed only during Quarter 1, Quarter 2, and Quarter 3

<sup>11</sup> Number represents percentage of queries closed within 10 days only during Quarters 1 - 3

The CIPC continued to leverage its social media platforms to address queries, receiving 54 674 queries via Facebook, of which 52 406 (or 98%) were resolved. Moreover, 100% of queries were resolved within the set service delivery standard of 24 hours

Finally, the CIPC received 16 365 queries via X (formerly, Twitter), of which 15 978 (or 98%) were resolved. Moreover, 98% of queries were resolved within the set service delivery standard of 24 hours

**Table G. 12: Self-service Centres (Pretoria, Johannesburg, and Cape Town) Traffic** shows service centre activity volumes between 2018/19 and 2022/23.

Table G. 14: Self-service Centres (Pretoria, Johannesburg, and Cape Town) Traffic

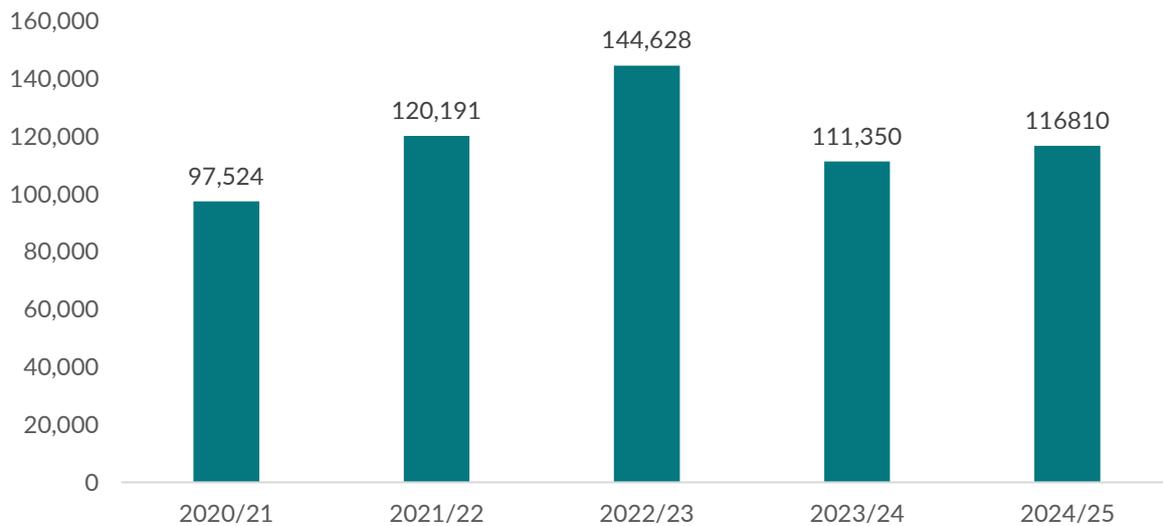
SSC	2020/21				2021/22				2022/23				2023/24				2024/25			
	PTA	JHB	CT	Total	PTA	JHB	CT	DBN												
Company Registrations	346	681	194	1 221	346	681	194	1 221	346	681	194	1 221	346	681	194	1 221	2322	5027	2293	227
Create Customer Codes	309	403	194	906	309	403	194	906	309	403	194	906	309	403	194	906	1715	2853	1613	153
Re-Set Password	343	89	234	666	343	89	234	666	343	89	234	666	343	89	234	666	2316	11862	8250	184
Name Reservations	27	443	97	567	27	443	97	567	27	443	97	567	27	443	97	567	0	2359	2310	42
Annual Returns	635	549	235	1 419	635	549	235	1 419	635	549	235	1 419	635	549	235	1 419	7345	4168	1526	514
IP	212	48	5	265	212	48	5	265	212	48	5	265	212	48	5	265	339	151	16	0
Director Amendments	149	32	21	202	149	32	21	202	149	32	21	202	149	32	21	202	961	1387	359	176
Member Amendments	0	2	2	4	0	2	2	4	0	2	2	4	0	2	2	4	0	203	131	10
Auditor & Accounting Officers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	96	0	0
Company & CC Address	80	21	11	112	80	21	11	112	80	21	11	112	80	21	11	112	414	483	449	4
Cert & Disc	627	0	172	799	627	0	172	799	627	0	172	799	627	0	172	799	2657	4292	4188	169
Ent Enquiry	253	45	43	341	253	45	43	341	253	45	43	341	253	45	43	341	3281	6064	7044	911
Name Change	41	28	6	75	41	28	6	75	41	28	6	75	41	28	6	75	237	350	167	18
Name Transfer	0	0	4	4	0	0	4	4	0	0	4	4	0	0	4	4	0	263	0	0
Customer Transactions	98	0	0	98	98	0	0	98	98	0	0	98	98	0	0	98	2418	0	550	704
General / Other	40	735	351	1 126	40	735	351	1 126	40	735	351	1 126	40	735	351	1 126	3139	5352	4442	790
Total Walk-ins	3 167	3 058	1 569	7 794	3 167	3 058	1 569	7 794	3 167	3 058	1 569	7 794	3 167	3 058	1 569	7 794	28856	47760	36847	3347

There was a significant increase in the number of company registrations, Annual Return filings and company name changes processed at the CIPC's self-service centres in Pretoria, Johannesburg, and Cape Town in 2024/25 compared to 2023/24. The significant increase is due, in so small part to the de-registration of entities undertaken by the Commission.

Ultimately, the overall number of walk-ins at CIPC self-service centres in Pretoria, Johannesburg and Cape Town rose to 11350 in 2023/24 from 7 794 in 2022/23. This number is noticeably higher than the number recorded during 2019/20 and 2020/21 financial year.

This picture is represented in **Figure G. 27: CIPC Self-service Centres (PTA, JHB, CT) Total Walk-ins** below.

Figure G. 27: CIPC Self-service Centres (PTA, JHB, CT) Total Walk-ins



### 1.1.4 Disclosure

Despite facing significant challenges, the disclosure team has demonstrated resilience and dedication in managing their workload effectively. The hybrid workplace policy, necessitated by the nature of their work, has not hindered their ability to process disclosure requests.

**Table G.14: Paper-based Disclosure Production Statistics** shows a substantial number of disclosure requests received and completed each quarter. The team managed to handle a high volume of requests, with the first three quarters seeing over 4,000 completed requests each, and even in the fourth quarter, where the number dropped to 2,449, the team maintained commendable productivity. The billing transactions processed also indicate a steady workflow, with notable peaks in the second and third quarters. Escalated tickets resolved by managers fluctuated but showed a significant increase in the fourth quarter, highlighting the team's responsiveness to more complex issues.

Table G. 15: Paper-based Disclosure Production Statistics

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Disclosure Request Received	4290	4386	3898	2449
Disclosure Request Completed	3791	4524	4172	3302
Disclosure Transaction Billed	2027	3478	3017	2005
Outstanding Ticket	499	5	12	30

**Table G.15: Disclosure Query Resolution** provides insight into the team's efficiency in handling queries within the set turnaround time (TAT). The percentage of tickets closed within TAT was consistently around 90%, except for a dip in the fourth quarter where it fell to 80%. Nonetheless, the average TAT remained within acceptable limits, fluctuating between 5.6 and 10 days, indicating that the team managed to keep delays to a minimum despite the high volume of queries.

Table G. 16: Disclosure Query Resolution

	Closed within TAT	Closed outside TAT	Total tickets closed for the Quarter	%Inside TAT	% outside TAT	Average TAT
Q1	3018	519	3567	87%	13%	8.1 days
Q2	4386	4	4382	97%	3	6.5 days
Q3	3898	526	4127	98%	2%	5 days
Q4	3586	331	3302	80%	20%	10 days
Average	14 888	1 380	15 378	90.25%	10%	8 days

While the disclosure team and the State Department unit faced resource constraints and operational challenges, their performance in managing disclosure requests and query resolutions has been commendable. The efficiency in processing requests and resolving queries, coupled with the ability to handle an increased workload, underscores their commitment to maintaining service delivery standards. The continuous operation of the mailroom without any backlog further attests to the smooth running of their processes, even amidst resource constraints.

## 1. Organisational Environment

### 1.2.1 Governance and Compliance

#### Policies

Table G. 17: Status of Policies as of 31 March 2025

Division	No of Policies	Due For Review	Up to Date	In Progress	New Policies
HR	16	11	1	3	1
BISG	15	2	12	0	1
Finance	9	0	9	0	0
Facilities and Security	4	0	4	0	0
Client Engagement	1	0	1	0	0
GRC	7	0	7	0	0
Strategy	4	2	0	0	2
<b>Total</b>	<b>56</b>	<b>15</b>	<b>34</b>	<b>3</b>	<b>4</b>

### 1.2.2 Anti-corruption

This section provides information and progress statistics on fraud and corruption-related complaints. It further outlines channels through which complaints were received and gives a summary of the nature of allegations received in 2023/24, as well as in previous years.

#### Allegations Received

Table G. 18: Number of Allegations Received

Opening Balance	Adjustment	Adjusted Opening Balance	Calls Logged	Feedback Requests Additional Info	Resolved	Balance
<b>Quarter 1</b>						
171	107	64	49	(2)	(15)	96
<b>Quarter 2</b>						
96	0	96	72	(2)	(81)	85
<b>Quarter 3</b>						
85	-	85	47	(6)	(78)	48
<b>Quarter 4</b>						
48	-	48	77	(4)	(82)	39

The opening balance at the beginning of 2023/24 was adjusted downward after taking into consideration factors which influence the likelihood of resolution of a complaint. Some of the factors considered included:

- Long outstanding complaints - (more than 6 months) with no progress and/or without contact from the complainant.
- Lack of information – no information has been received from the complainant for more than two months.
- Unavailability - complainants no longer reachable.

The adjustment ensures that only necessary resources are employed towards the resolution of complaints in an adequate and efficient manner.

There has been a notable improvement in resolving complaints during the period under review, attributed to the allocation of a dedicated resource to handle complaints. The strategy involves optimising resource utilisation and holding regular engagements to discuss case progress and address challenges. However, the inability to anticipate incoming volumes and the complexity of allegations remain issues in the investigation process.

The hybrid model for resource allocation in complaint handling and investigation is being enhanced. This includes utilising both internal and external resources and initiatives such as staff secondment from other divisions and appointing interns. This strategy has yielded the following benefits:

- Decreased backlog
- Fewer feedback requests
- Increased response rate to requests for evidence from affected parties
- Faster implementation of recommended actions from investigations

### **Status of Open Cases**

Table G. 19: Status of Open Cases

	Total	Under Investigation	Pending Investigation
Quarter 1	96	(21)	75
Quarter 2	85	(44)	41
Quarter 3	48	(24)	24
Quarter 4	39	(14)	25

The total number of open cases during the 2023/24 period decreases significantly between Quarter 1 and Quarter 2 while, simultaneously, the number of pending investigations rose between Quarter 1 and Quarter 2 as well. Complaints were recorded at different stages of the complaint resolution process. Furthermore, based on internal assessments and analysis, some of the matters under investigation were referred to external service providers for investigation.

There is clearly a backlog of investigations which requires urgent attention if feedback requests are to be minimised.

### Reporting Channels

The hotline appears to constitute the preferred channel of reporting, presumably because it provides an option for anonymity. Internally, the utilisation of the hotline has been useful in that it has provided an adequate audit trail of all complaints received. Such controls help build trust and confidence in the system.

Table G. 20: Fraud and Corruption Reporting Channels

Channel		Received Cases				
		Q1	Q2	Q3	Q4	Total
1	Hotline	32	60	41	72	205
2	Emails	17	12	6	5	40
<b>Total</b>		<b>49</b>	<b>17</b>	<b>47</b>	<b>73</b>	<b>186</b>

### Nature of Cases

Table G. 21: Nature of Fraud and Corruption Cases, Five Year Annual Comparison

Nature of Cases		2020/21		2021/22		2022/23		2023/24		2024/25	
		No	%								
1	Fraudulent removal or addition of directors	111	30%	118	41%	65	27%	80	32%	80	54%
2	Misuse of client's accounts	22	6%	6	2%	12	5%	8	3%	16	11%
3	Essential services certificates complaints	42	11%	1	0%	0	0%	0	0%	0	0%
4	Fraudulent use of customer details to register a company	0	0%	0	0%	75	31%	64	25%	5	3%
5	Implicating CIPC employees	7	2%	4	1%	1	0%	2	1%	1	1%
6	Other: general category	76	20%	77	27%	61	25%	40	16%	28	19%
7	Other: Feedback request/ additional information	114	31%	84	29%	30	12%	19	8%	17	12%
<b>Total</b>		<b>372</b>	<b>100%</b>	<b>290</b>	<b>100%</b>	<b>244</b>	<b>100%</b>	<b>251</b>	<b>100%</b>	<b>147</b>	<b>100%</b>

In 2024/25, the majority of cases related to fraudulent use of customer details to register a company and fraudulent removal or addition of directors. Based on the analysis conducted, the change of contact details precedes the actual removal of directors in most instances.

Fraudulent/unauthorised director changes are often lodged by third parties claiming to be associated with the CIPC.

Additionally, there has been a concerning rise in complaints regarding unauthorised transactions linking individuals to companies they are unfamiliar with. These transactions are conducted through E-service, a paperless system where no documentation is required for verification. Interestingly, the spike in such incidents coincides with the presidential announcement mandating the registration of spaza shops. The method involves perpetrators altering contact information to gain control over existing multifactor authentication processes. This indicates potential vulnerabilities within the E-service and BizPortal platforms, which are evidently being exploited

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<sup>i</sup> Obtained from PowerBI reports