



Companies and Intellectual
Property Commission

a member of **the dtic** group

CIPC SECOND QUARTER PERFORMANCE REPORT

2022/23

Approval of the Report

| Endorsement Support | | Committee | |
|--|--------------------|---|--|
| I hereby support the endorsement of the report | | | |
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| Rank | | : <u>CHAIRPERSON OF AUDIT COMMITTEE</u> | |
| Date | | : <u>28 OCTOBER 2022</u> | |
| Endorsement by the Accounting Authority | | Authority | |
| I hereby endorse the report | | | |
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| Name | : | _____ | |
| Rank | : | _____ | |
| Date | | | |

*** For the purpose of this Report:**

Accounting Officer means the person responsible for the daily operations of the entity, e.g. CEO
Accounting Authority means a person representing a body that provides oversight on the entity, e.g. Board/Tribunal Chairperson and/or Minister's direct Reportee e.g. Commissioner/ CEO

Acronyms

| Abbreviation | Description |
|---------------------|---|
| AFS | Annual Financial Statements |
| APP | Annual Performance Plan |
| BISG | Business Intelligent Services Group |
| CCRD | Consumer Corporate Regulation Division |
| CGSE | Corporate Governance Surveillance and Enforcement |
| CIPC | Companies and Intellectual Property Commission |
| EPMO | Enterprise Project Management Office |
| EPO | European Patent Office |
| FAS | Financial Accountability Supplements |
| ICT | Information and Communication Technology |
| IFRS | International Financial Reporting Standards |
| IP | Intellectual Property |
| IPAS | Industrial Property Automation System |
| JPO | Japanese Patent Office |
| MoU | Memorandum of Understanding |
| PEB | Patent Examination Board |
| QRS | Query Resolution System |
| SAPS | South African Police Service |
| SARS | South African Revenue Service |
| SDS | Service Delivery Standards |
| SMME | Small, Medium and Micro Enterprises |
| SSC | Self Service Centre |
| SSC | Shared Service Centre |
| SSE | Substantive Search and Examination |
| SST | Self Service Terminal |
| TAT | Turnaround time |
| the dtic | the Department of Trade, Industry and Competition |
| WIPO | World Intellectual Property Organization |
| WTO | World Trade Organisation |
| WSSS | WIPO Summer School South Africa |
| XBRL | eXtensible Business Reporting Language |

Table of contents

| | |
|--|-----|
| Acronyms | 3 |
| Table of contents | 4 |
| List of Tables | 6 |
| List of Figures | 6 |
| 1. Introduction..... | 7 |
| 2. CIPC Overall Performance | 8 |
| 2.1 Service Delivery Environment..... | 8 |
| 2.1.1 Service Delivery | 8 |
| 2.1.2 Legal, Policy Support, and Outreach | 15 |
| 2.1.3 Compliance Monitoring and Enforcement..... | 17 |
| 2.1.4 Education and Awareness | 30 |
| 2.1.5 Customer contact: Call Centre, QRS, and Social Media etc. | 31 |
| 2.1.6 Disclosure | 32 |
| 2.1.7 Modernisation, Automation and Channels..... | 33 |
| 2.2 Organizational Environment..... | 38 |
| 2.2.1 Governance, Compliance and Risk | 38 |
| 2.2.2 Investigations and Anti-corruption | 38 |
| 2.2.3 Industrial/Labour relations issues | 38 |
| 2.2.5 Discontinued activities / activities to be discontinued | 38 |
| 2.2.6 New or proposed activities | 38 |
| 2.2.7 Facilities and Security..... | 39 |
| 2.2.7 Media analysis/campaign/strategies | 41 |
| 2.2.8 New challenges and risks identified in the quarter | 46 |
| 2.3 New Policy and Legislative Changes | 47 |
| 2.4 Progress towards achievement of institutional Impacts and Outcomes | 48 |
| 3. Performance against the APP..... | 56 |
| 3.1 Progress made against unachieved targets in the previous quarter – N/A | 56 |
| 3.2.1 Programme 1: Service Delivery and Access | 56 |
| 3.2.2 Programme 2: Innovation & Creativity Promotion | 57 |
| 3.2.3 Programme 3: Business Regulation and Reputation | 58 |
| 3.2 Progress made against current quarterly milestones | 59 |
| 3.2.1 Programme 1: Service Delivery and Access | 60 |
| 3.2.2 Programme 2: Innovation & Creativity Promotion | 63 |
| 3.2.3 Programme 3: Business Regulation and Reputation | 65 |
| 4. Governance, Risk and Compliance Quarterly Report (01 July – 30 September 2022) | 67 |
| 5. Audit Report..... | 76 |
| 5.1 Progress against Internal Audit Finding Matrix & Progress against AG/External Audit Finding Matrix | 76 |
| 5.2 Progress made regarding Combined Assurance Plan | 79 |
| 6. Financial Report..... | 113 |
| 7. PFMA and TR compliance checklist..... | 114 |
| 8. Copyright and Enforcement Report | 117 |

9. Joint Indicators Report132

List of Tables

| | |
|---|----|
| Table 1: Key Services – Volumes, Average TAT and SDS..... | 9 |
| Table 2: Status of Business Rescue Proceedings..... | 21 |
| Table 3: Business Rescue Commenced in each month over the years..... | 21 |
| Table 4: Status of Business Rescue Proceedings – Q2..... | 22 |
| Table 5: Business Rescue Commenced in each month over the years – Q2..... | 23 |
| Table 6: Annual Financial Statements..... | 25 |
| Table 7: Reportable Irregularities 2022/23..... | 26 |
| Table 8: High Profile Companies under Investigation..... | 26 |
| Table 9: Independent Review: Regulation 29..... | 27 |
| Table 10: Cold Case Matters..... | 27 |
| Table 11: Prospectus..... | 27 |
| Table 12: Prospectuses..... | 28 |
| Table 13: Types of contraventions on the complaints received in Q1..... | 28 |
| Table 14: Types of contraventions on the complaints received in Q2..... | 30 |
| Table 15: Customer Contact: Call centre, QRS, and Social Media..... | 32 |
| Table 16: Self Service Centers’ (Pretoria, Johannesburg and Cape Town) Traffic – Quarter 1 & 2..... | 33 |
| Table 17: Paper Based Disclosure Production Stats..... | 33 |
| Table 18: State Department – Disclosure Billing Statistics..... | 34 |
| Table 19: Disclosure Query Resolution..... | 34 |
| Table 20: CIPC Channels and services offered..... | 34 |
| Table 21: Partner sites..... | 35 |
| Table 22: Channels and Services Available 24/7..... | 35 |
| Table 23: Progress Report on Migration to New E-services..... | 37 |
| Table 24: Labour Relations Issues..... | 39 |
| Table 25: Appointments, Resignations, Retirements and Terminations..... | 39 |
| Table 26: Media Coverage Overview – April – June 2022..... | 43 |
| Table 27: Impact Statement #1 – Performance Table..... | 49 |
| Table 28: Impact Statement #2 – Performance Table..... | 52 |
| Table 29: Impact Statement #3 – Performance Table..... | 52 |
| Table 30: Impact Statement #4 – Performance Table..... | 57 |

List of Figures

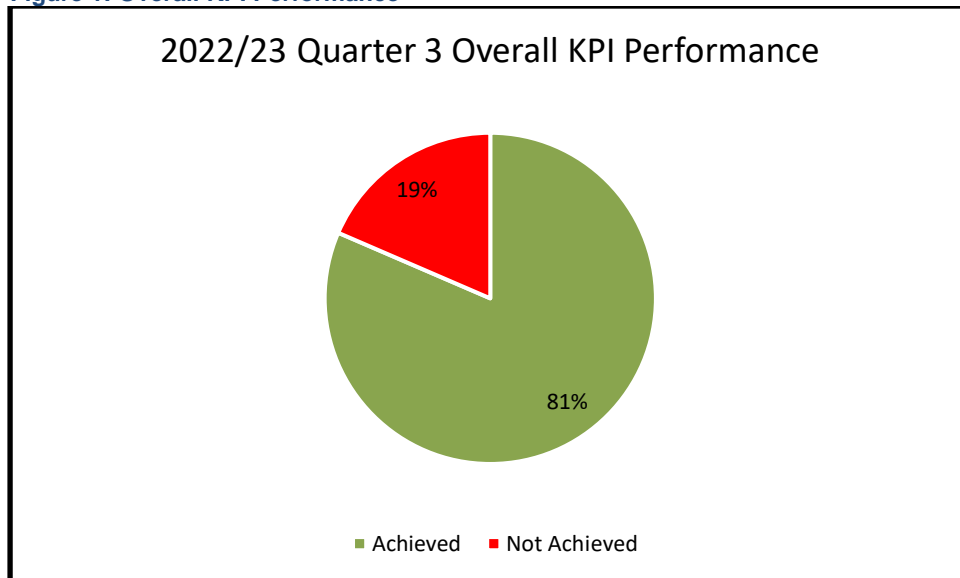
| | |
|---|----|
| Figure 1: Overall KPI Performance..... | 7 |
| Figure 2: Programme Performance..... | 8 |
| Figure 3: AR Filings Comparison (Gross Filings) April to March..... | 17 |
| Figure 4: AR Filing Comparison (In time filings) April to March..... | 18 |
| Figure 5: AR Filings Comparison April to September 2022..... | 19 |
| Figure 6: AR Filing Comparison (In time filings) April-September..... | 19 |
| Figure 7: Volume of Business Rescue Proceedings..... | 21 |
| Figure 8: Enterprise Category Specification for commenced Business Rescue Proceedings 2022-23..... | 21 |
| Figure 9: Volume of Business Rescue Proceedings April to September 2022..... | 23 |
| Figure 10: Enterprise Category Specification for commenced Business Rescue Proceedings 2022-23..... | 23 |
| Figure 11: Type of contraventions on the complaints received in Q1..... | 27 |
| Figure 12: Type of contraventions on the complaints received in Q2..... | 28 |
| Figure 13 The Green point stadium before the games started..... | 29 |

1. Introduction

The purpose of this report is to outline the Companies and Intellectual Property Commission's (CIPC's) 2022/23 second quarter performance against its plans and targets, as outlined in its Annual Performance Plan (APP) for the 2022/23 reporting period.

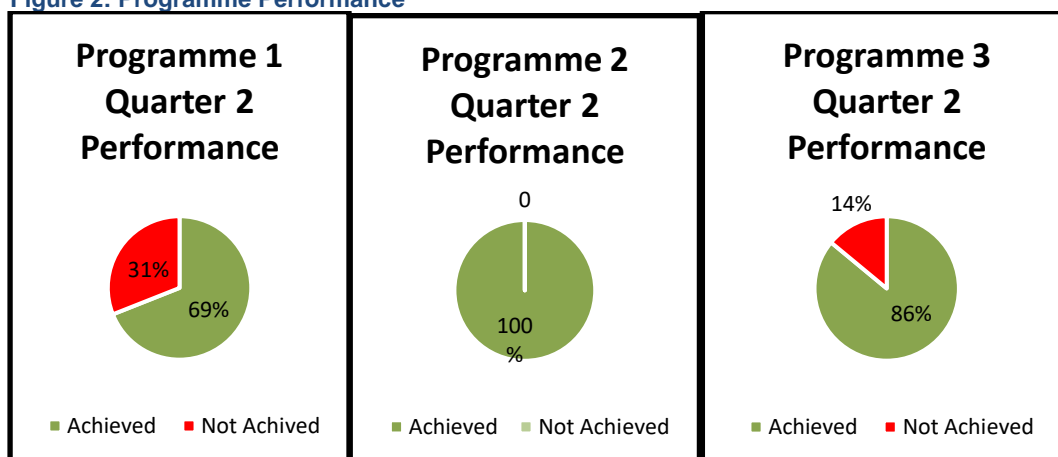
For the 2022/23 Quarter 2, 22 (81%) of the 27 quarterly targets were achieved.

Figure 1: Overall KPI Performance



For Programme 1, 9 (69%) out of the 13 quarterly targets were achieved, for Programme 2, 7 (100%) of the seven (7) quarterly targets were achieved and for Programme 3, 6 (86%) out of the seven (7) of the quarterly targets were achieved.

Figure 2: Programme Performance



2. CIPC Overall Performance

This section shows the impact of the external (service delivery environment) and internal (organizational environment) context on the CIPC overall performance and service delivery during the period under review.

2.1 Service Delivery Environment

The section present the demand for the CIPC services and discuss how this affected the CIPC.

2.1.1 Service Delivery

Table 1 shows the performance in key services in volume, average TAT, and percentage of transactions processed within the set SDS. Each of the key services are discussed thereafter.


Table 1: Key Services – Volumes, Average TAT and SDS

| CIPC Services | Number/Average Turnaround Time (ATAT) | Quarter 1 | Quarter 2 |
|--|---|-----------|-----------|
| Patents applications | Number | 3 551 | 3 574 |
| | ATAT | 2 days | 2 days |
| | SDS (2 working days) | 96% | 99% |
| Patents registration certificates | Number | 2 694 | 2 351 |
| | ATAT | 33 days | 22 days |
| | SDS (44 working days) | 100% | 100% |
| Patent Renewals | Number | 11 912 | 11 827 |
| | ATAT | 2 days | 2 days |
| | SDS | 86% | 96% |
| Designs applications | Number | 440 | 392 |
| | ATAT | 2 days | 2 days |
| | SDS (2 working days) | 96% | 96% |
| Designs registration certificates | Number | 507 | 341 |
| | ATAT | 11 Days | 9 days |
| | SDS (44 working days after publication) | 100% | 100% |
| Designs Renewals | Number | 1 989 | 2 166 |
| | ATAT | 3 days | 2 days |
| | SDS | 94% | 98% |
| | Number | 3 | 5 |

| CIPC Services | Number/Average Turnaround Time (ATAT) | Quarter 1 | Quarter 2 |
|---|--|------------------|------------------------------|
| Copyright in film applications | ATAT | 2 days | 2 days |
| | SDS (1 working day) | 100% | 100% |
| Copyright in film registrations | Number | 3 | No film registrations issued |
| | ATAT | 3 days | N/A |
| | SDS (22 working days) | 100% | N/A |
| Trade marks applications | Number | 9 672 | 10 152 |
| | ATAT | 96% | 95% |
| | SDS (3 working days) | 3 days | 3 days |
| Trade marks registrations | Number | 9 002 | 12 441 |
| | ATAT | 69% | 58% |
| | SDS (90 days + 90 days) | 180 days | 180 days |
| Trade Marks Official Action | Number | 6 845 | 10 325 |
| | ATAT | 99% | 98% |
| | SDS (12 months) | 365 days | 365 days |
| Trade mark Renewals | Number | 7 047 | 6 276 |
| | ATAT | 97% | 96% |
| | SDS | 3 days | 3 days |
| Name reservations | Number | 118 652 | 120 912 |
| | ATAT | 1 day | 1 day |
| | SDS | 95% | 97% |
| Companies Registrations | Number | 104 031 | 111 033 |
| | ATAT | 1 day | 1 day |
| | SDS | 93% | 98% |
| BBBEE Certificates | Number | 87 588 | Not available |
| | ATAT | Immediate | Not available |
| | SDS | 100% | Not available |
| Co-operatives Registrations | Number | 2 123 | 1853 |
| | ATAT | 2 days | 1 day |
| | SDS (3 days) | 100% | 100% |
| Director Amendments | Number | 37 853 | 42 830 |
| | ATAT | 2 days | 2 days |
| | SDS | 99% | 97% |
| Member Amendments | Number | 5 969 | 6630 |
| | ATAT | 2 days | 2 days |
| | SDS | 100% | 100% |
| Company Name Changes | Number | 14 299 | 14 552 |
| | ATAT | Immediate | Immediate |
| | SDS | 100% | 100% |
| Company Financial Year End Changes | Number | 1 086 | 1 321 |
| | ATAT | Immediate | Immediate |
| | SDS | 100% | 100% |
| Query Resolution | Queries received | 40 484 | 41 354 |
| | Queries closed | 39 381 | 41 159 |

| CIPC Services | Number/Average Turnaround Time (ATAT) | Quarter 1 | Quarter 2 |
|----------------------|--|------------------|------------------|
| | ATAT | 3 days | 4 days |
| | SDS (10 days) | 95% | 93% |
| Facebook | Queries received | 12 000 | 11049 |
| | Queries closed | 10 000 | 10471 |
| | ATAT | 5h 2m | 4h2m |
| | SDS (24 hours) | 83% | 95% |
| Twitter | Queries received | 3 600 | 4144 |
| | Queries closed | 2 800 | 3295 |
| | ATAT | 4h 19m | 3h32m |
| | SDS (24 hours) | 78% | 79.51% |

Legend

 Under 90% - SDS Performance Target

Disclaimer It is to be noted that even though Patent and Design Renewals are reported upon, they were taken off from the indicator targets and reporting requirement****

(i) Patents and Designs

Quarter 1

Applications (include breakdown – Local vs Foreign)

The CIPC satisfactorily maintained and complied with the external SDS set for processing both patents and designs applications in Quarter 1.

The CIPC received 3 551 patents applications (3 126 Foreign applications and 425 local applications) were received and 440 designs applications (250 Foreign and 190 Local Applications) during the Quarter 1 of 2022/23. This is significantly higher than patent applications received in the same quarter last year (2 363 applications were received in Quarter 1 of 2021/22 i.e. an approximately 50% increase in the number of applications). Similarly the number of design applications received in Quarter 1 of 2022/23 is also higher than the number of applications received in Quarter 1 of 2021/22 (407 applications were received in Quarter 1 of 2021/22, this is an approximately 10% increase in the number of design applications).

The average turnaround time for patent applications was maintained at two (2) working days. Ninety-six percent (96%) of transactions were processed within the set external SDS of two days (2). Four percent (4%) processed outside the SDS is attributed to manual applications and queries related thereto.

The average turnaround time for designs applications was maintained at two (2) working days. Ninety-six percent (96%) of the applications were processed within the SDS of two (2) working days. The four (4%) processed outside the SDS is also attributed to the manual application queries.

Registration Certificates

During 2022/23 Quarter 1, the CIPC issued 2 694 patent certificates, this is an increase of over 100% in comparison to Quarter 1 of 2021/22 where 1 185 Patent Registration Certificates were issued. Furthermore 507 designs registration certificates were issued in quarter 1 of 2022/23; this is also a marginal increase in comparison to 369 design registration certificates issued in Quarter 1 of 2021/22. 100% of patent registration certificates were processed within the set SDS of 44 days at an average turnaround times of 33 days. Similarly, 100% of designs registration certificates were 24 days and 38 days respectively.

Quarter 2

Applications (include breakdown – Local vs Foreign)

The CIPC satisfactorily maintained and complied with the external SDS set for processing both patents and designs applications in Quarter 2.

The CIPC received 3 574 patents applications (3 137 Foreign applications and 437 local applications) were received and 392 designs applications (245 Foreign and 147 Local Applications) during Quarter 2 of 2022/23. This is significantly higher than patent applications received in the same quarter last year (2 822 applications were received in Quarter 2 of 2021/22 i.e. an approximately 25% increase in the number of applications for the same period).

For design applications 392 applications were received in Quarter 2 of 2022/23, slightly lower than the number of applications received in Quarter 2 of 2021/22 (i.e. 436 applications).

The average turnaround time for patent applications was maintained at two (2) working days. Ninety-eight percent (98%) of transactions were processed within the set external SDS of two days (2). The two percent (2%) processed outside the SDS is attributed to manual applications and queries related thereto.

The average turnaround time for designs applications was maintained at two (2) working days. Ninety-six percent (96%) of the applications were processed within the SDS of two (2) working days. The four (4%) processed outside the SDS is also attributed to the manual application queries.

Registration Certificates

During 2022/23 Quarter 2, the CIPC issued 2 351 patent certificates, this is an increase of over 100% in comparison to Quarter 2 of 2021/22 where 1 022 patent registration certificates were issued. For designs, 341 designs registration certificates were issued in quarter 2 of 2022/23; this is also a marginal increase in comparison to 250 design registration certificates issued in Quarter 2 of 2021/22. 100% of patent registration certificates were processed within the set SDS of 44 days at an average turnaround times of 22 days. Similarly, 100% of designs registration certificates were processed within the average turn around time of 9 days.

(ii) Copyright in film

Quarter 1

Applications

During this reporting period, the Copyright unit received nine (9) film applications and all were processed within the turnaround time.

Registrations

During this reporting period, the Copyright unit registered three (3) film applications and issued film registrations certificates within the turnaround time.

Quarter 2

Applications

During this period under reporting, the Copyright unit received 05 (five) applications for films in copyright.

Registrations

During this period under reporting, the Copyright unit issued no registration certificates.

(iii) Trade marks

See Table 1

(iv) Companies and Close Corporations (CCs)

Quarter 1

New company registrations is lower than the comparative period of 2021-2022 and follows the same trend as per the 2021-2022 financial year namely a decrease post the first year of Covid19. The trend in the increase in volume of automated new company registrations compared with hybrid new company registrations continued.

Quarter 2

The trend in decrease in company registrations as indicated during quarter 1, continued during quarter 2. During quarter 2, substantial failures with the Department of Home Affairs were experienced which may have influenced the continued decrease in company registrations. As part of the new company registration process, especially on the electronic platforms, finalisation of the company registration is dependent on successful verification of director; identify information with the Department of Home Affairs.

(v) Co-operatives

Quarter 1

Registrations

There has been a noticeable increase in Registration for new co-operatives compared to the previous period in 2020/21 financial year-end. This is a demonstration that people are getting used to the system. Coming to Secondary and Tertiary Co-operatives the volumes are a handful and the requirement for registration has changed requiring filling of Financial Statements and Annual Reporting first before conversion of which the co-operatives are non-compliant.

Conversions

Seven (7) conversions out of 10 received were processed and the volumes are still very low.

Amalgamations

No amalgamations were received.

Quarter 2

Registrations

The registration for the quarter under review had a slight decrease of 270 applications as compared to Q1. This can be attributed to two things viz., we had intermittent system downtimes due to DHA link and the verification could not be done thus delaying the registration process and lastly the first quarter is link to most financial years and decision to incorporate would have been made informed by the strategic plans of the relevant stakeholders.

Conversions

Only two conversions from Companies to Co-operatives were approved during this quarter.

Amalgamation

Nothing was received.

(vi) Directors, Members and Practitioners (DMP)

Quarter 1

CoR39's

We received close to 60 000 applications for Eservices applications though only over 36 000 were approved and with regards to manual application we received over 1800 and 1122 were approved. Most of the rejections are visible fabrication of Identity documents and falsification of applications. We experienced some problems with Eservices from the 28th of June due to images not being available whereas applications are being indexed.

CK2's

Over 10 000 applications received for member changes as the CK2 form deals with many changes of which others are done by Companies and Close Corporations. From the 10 000 applications we only approved 3850 for eservices and 2119 for manual.

CoR44's

We received 4631 applications and only approved 3017, we experienced some technical problems whereby ICT takes time to update database to reflect the information from IRBA for all Registered Auditors.

Business Rescue

Business Rescue Practitioners 21 licenses were issued and 78 appointments made during the period under reviewed.

Quarter 2

CoR39's

We received 68 879 applications between Eservices and Manual applications, of which approximately 97% of the applications were Eservices. We approved 42 830 which is the 62% of the work received and rejected 26 049. Had it not been the system downtimes we could have processed more.

CK2's

We received a total of 11 047 applications for member changes between Manual Applications and Eservices of which 6630 was approved and 4 417 were rejected.

CoR44's

We received 5 113 applications a noticeable increase compared to the previous quarter and approved 3 483, the issue of IRBA verification which was still a problem though they were escalated to ICT.

Business Rescue

One hundred and nine (109) applications for licenses of Business Rescue Practitioners were received and issued 34 licenses. Two (2) Matters were sent to the Companies Tribunal for review however, the Tribunal upheld our decisions. Appointments received were 140 and 75 were approved.

(vii) Query Resolutions

Quarter 1

All queries were attended to within the services standards except those, which are ICT related for an example dispatching of forms and certificates to clients, took longer as ICT took time to respond.

Quarter 2

The number of tickets logged increased slightly from Q1, to 41 354 tickets. The % of tickets responded to inside turnaround time decreased from 95% in Q1 to 93% in Q2.

2.1.2 Legal, Policy Support, and Outreach

(i) IP Policy and Outreach

Quarter 1

IP for SMME

Through the intervention of the SSAIP (Swiss-South Africa intervention), the IP for SMME project is being pursued.

Six committee meetings were held in this quarter. These meetings mainly served to engage on the specific interventions, which the committee reached agreement. Broadly, these interventions are based on IP in general with a specific focus on SMMEs. The interventions included the SMME stakeholder mapping, customization of the IP panorama and the compilation of training materials for SEDA employees. As regards the development of the stakeholder map (a feature in the development of SMME portal on the CIPC website), a consultant company was appointed (by the Swiss) to assist in the development of the design and development of a single on-line stakeholder map. This feature provides details of all key and relevant IP stakeholders, which the SMMEs will use (based on their request through the survey previously conducted). The features for the SMME benefit will cover aspects such as briefings, training, service, guidance). A concept note based on a phased approach was developed. It was further agreed to pilot the implementation (user needs analysis and scoping) in the Gauteng province (having CIPCs majority clients).

Further to this intervention and following the initial ToT (training of trainers) with the SEDA practitioners, a relationship with TIA (The Technology Agency) commenced. TIA has technology stations nationally and it is the intention therefore to train these practitioners who will serve a better IP service in the communities in which the technology stations exist. A programme of action was developed and is set to commence in the 2nd quarter.

IP BRICS

CNIPA (China) is the hosting office in this round of IP BRICS forum. In this quarter, the coordinators (country focal point persons) engaged on issues such as work stream progress, preparations for the main HIPO (heads of IP Offices meeting) and other logistical and substantive issues. The proposed schedule of events for the year under the chair was agreed upon by members. The coordinators meeting was scheduled for the 21st July. The coordinators meeting is an important part of the IP BRICS events as the focal point persons meet to discuss/engage and deliberate on issues which the Heads of the IP offices find consensus and provide approval.

Quarter 2

IP for SMME

Activities under this programme continues through the intervention of the SSAIP (Swiss-South Africa intervention).

Committee meetings held in this quarter were focused on specific interventions under the direction of the IP managers while maintaining the focus on SMMEs. The external company engaged to assist in the development of the SMME stakeholder map continued with further engagements around how to proceed with the implementation of the pilot. A meeting was convened with key stakeholders (including the DTI, SEDA and NIPMO) to understand what their current services to SMMEs entailed. The engagement with TIA officials ensued with the implementation of the training plan.

IP BRICS

The 14th HIPO BRICS IP meeting was held in this quarter. In ensuring the smooth execution of this event the focal point coordinators meeting was held on the 21st July. Intense exchange of communication ensued between coordinators to ensure that all inputs were fully informed and that the Country position was correctly portrayed. The SA delegation was determined and IP managers joined the main meeting. The talking points for the Commissioner was prepared with inputs from all IP managers and technical staff such as the Patent Searchers. The meeting was a success.

Forthcoming main events include the IT workshop convened by China in October and the Examiners Training in November.

iii) Corporate Legal and Policy Support

Quarter 1

Finalisation of the POPIA Compliance Framework (submitted to EXCO) for use by CIPC annually to monitor compliance in terms of POPIA.

Development of "General Counsel" (in-house legal) implementation plan, which includes structure, functions and responsibilities. (ongoing).

Multitude of subpoena's and request for specific and technical information received from law enforcement agencies – which is indicative of the number of criminal matters involving fraud, director and shareholder disputes, etc. Law enforcement agencies requests for information are no longer simply corporate registration documentation, but becoming much more technical. CIPC presence (providing expert testimony) in court and other forums – becoming more prominent.

Beneficial Ownership Project – attending legal framework and practical BO workshops and seminars – development of CIPC's own beneficial ownership register. CIPC compliance is crucial in terms of SA's world ranking. Development of Companies Act Amendment Regulations crucial to cater for BO register – CCRD & dtic driving force.

Publication of several legal opinions and articles on Companies Act interpretation and application – creating precedent.

Quarter 2

Development of POPIA training plan (internal & external) - 2 sessions with CIPC staff on the applicability of POPIA to CIPC employees and 2 sessions externally – discussions with the public on the applicability of POPIA on the functions of the CIPC. General consent I.t.o. POPIA built into new e-services – review annually.

General Counsel ("in-house legal") division implementation plan being developed, dependent on OD finalization – ongoing.

Received and responded to 19 subpoenas pertaining to specific Companies Act, interpretation and CIPC technical processes clarity or advice sought – not part of normal disclosure application process by state departments. Corporate Legal represented the CIPC in various forums, Companies Tribunal, High Court and Liquidation Inquiries.

Beneficial Ownership – consolidated inputs – Global General Laws Amendment Bill, Trust Property Control's Act and Financial Sector Regulations Act.

Speaker at several external events on the Companies Act – Business Rescue, Delinquent Directors & POPIA.

2.1.3 Compliance Monitoring and Enforcement

(i) Annual Returns

Quarter 1

The volume of gross filings continued to increase with 1% (3225 filings). The in time filing rate also continued to increase with 4% (5835 filings). The Annual Return filing service is currently in redevelopment and will incorporate the PI (Public Interest) Score calculation and simultaneous amendments with the filing of Annual Returns. The service is due to be released during July 2022.

Figure 3: AR Filings Comparison (Gross Filings) April to March

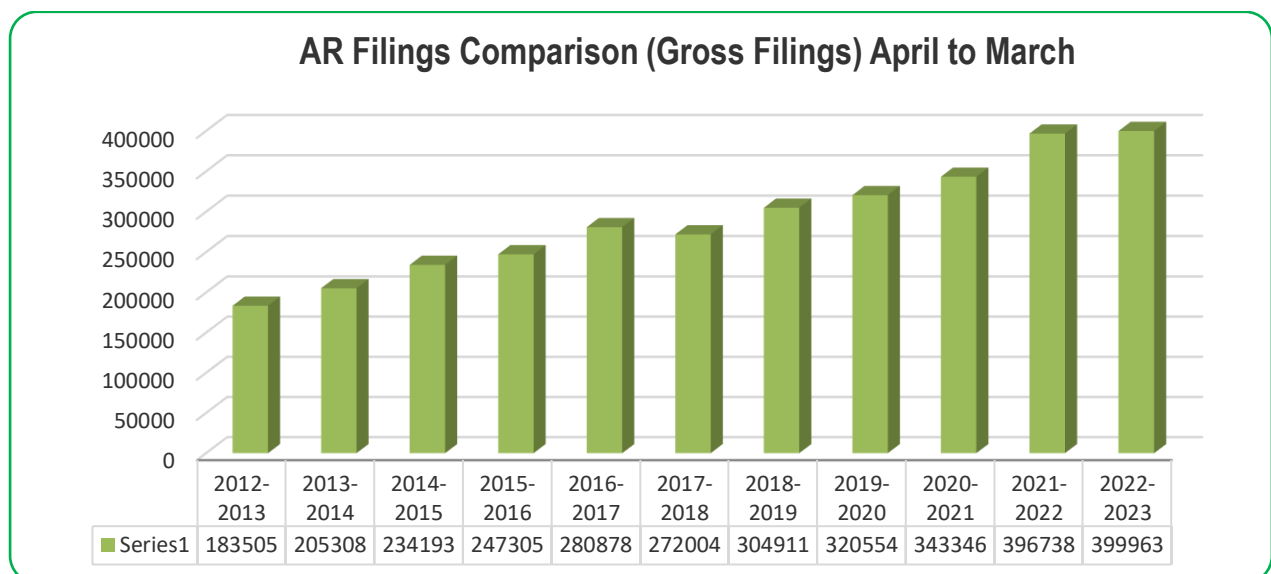
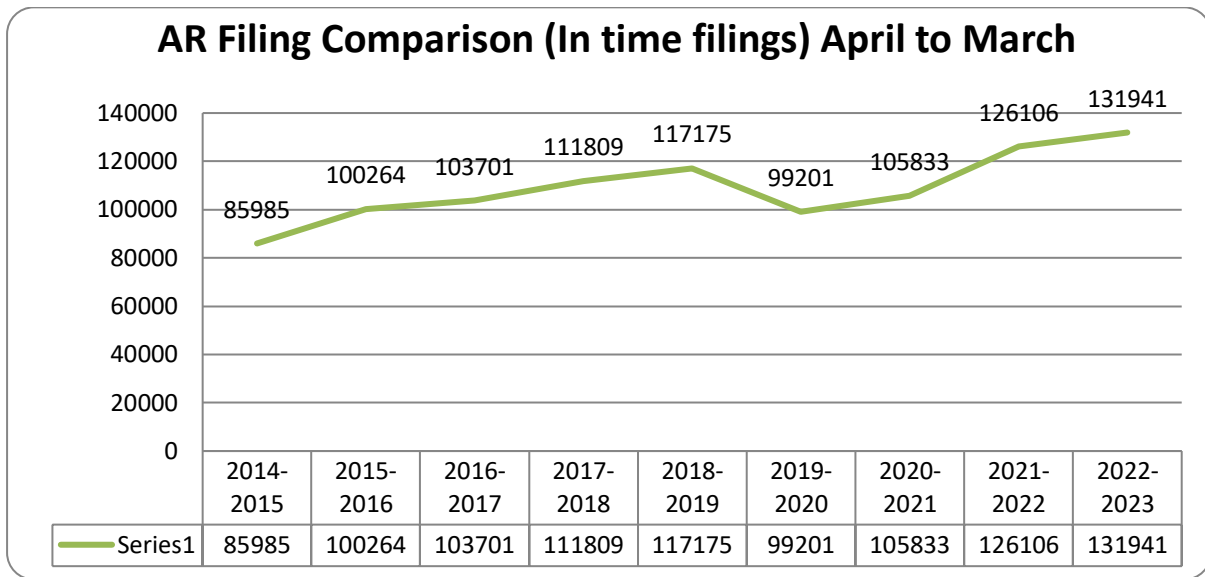


Figure 4: AR Filing Comparison (In time filings) April to March



Quarter 2

The gross volume of Annual Return Filings decreased compared with 2021-2022 with 3% (or 23138 filings). Quarter 2 was characterized by substantial failures in the link with the Department of Home Affairs, which may have impacted on customers' ability to file Annual Returns. Customers cannot proceed to file Annual Returns before the company's FAS (Financial Accountability Supplement) or AFS (Annual Financial Statements) has been filed. The FAS currently has a verification requirement that the person who is responsible to keep the accounting records must be verified before finalizing the FAS filing and therefore the Annual Return itself.

The current economic challenges and load shedding levels may also have impacted on the ability of customers to file.

The release of the redeveloped Annual Return Filing service has been postponed for release until 1 November 2022 although such, together with other redeveloped services, will be soft launched on 14 October 2022 for selective external customers to test the services.

The in time filing rate continued to increase.

Figure 5: AR Filings Comparison April to September 2022

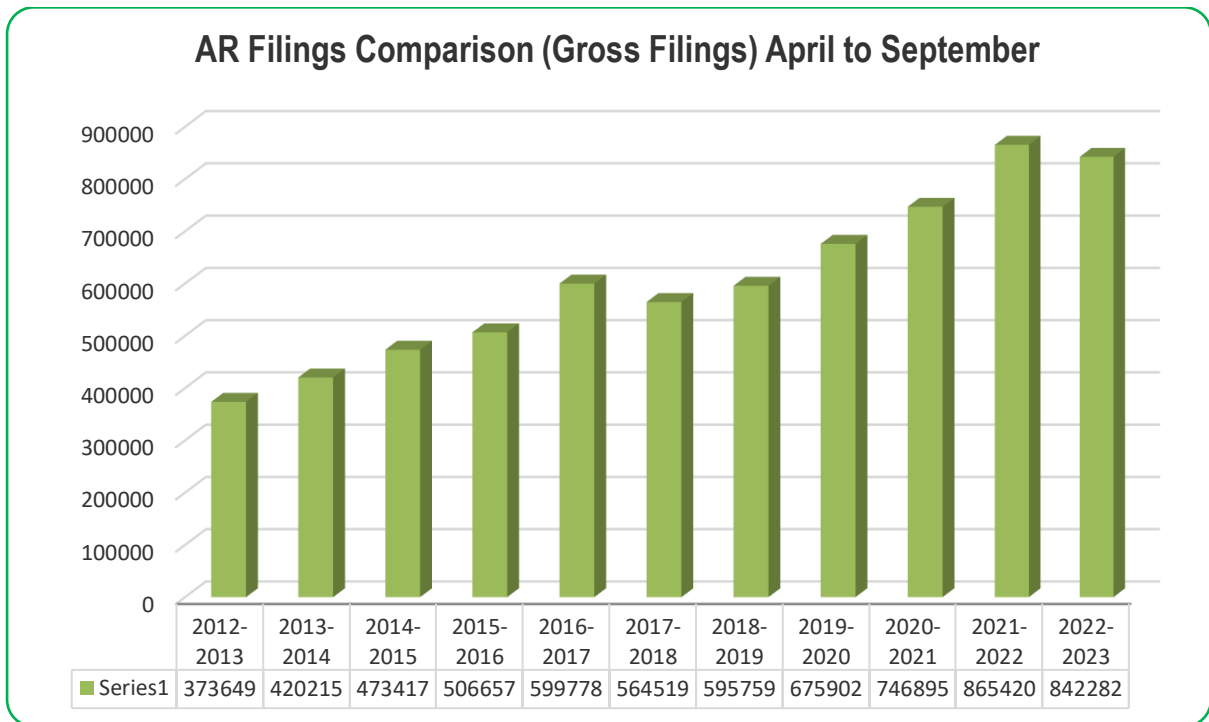
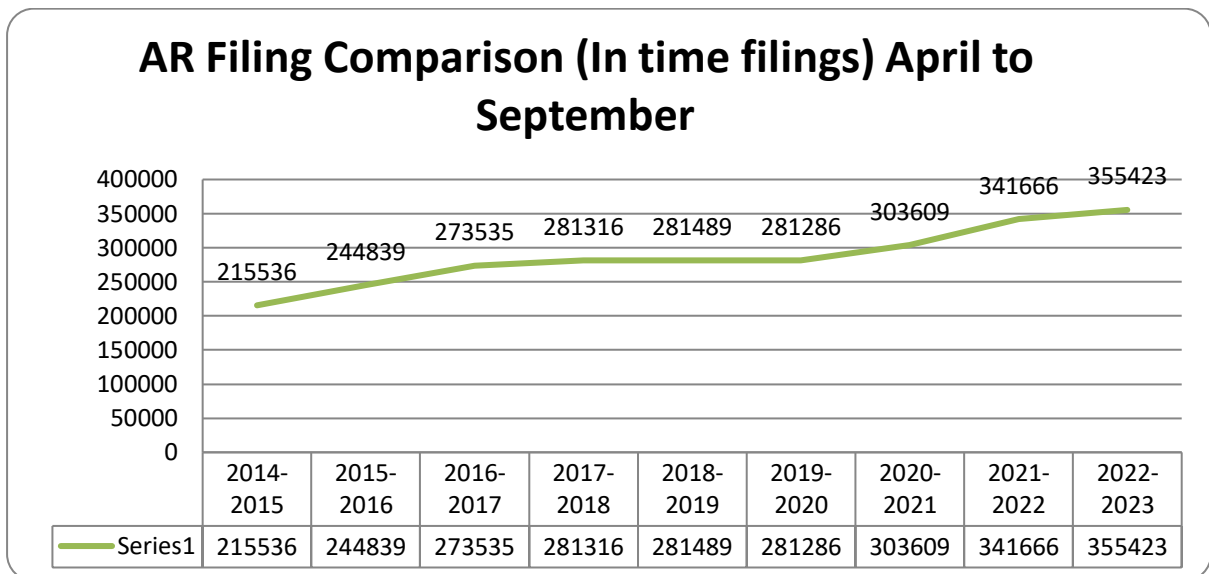


Figure 6: AR Filing Comparison (In time filings) April-September



(ii) Business Rescue

Quarter1

Table 2: Status of Business Rescue Proceedings

| Count of Status of BR Proceedings | | | | | | | |
|-----------------------------------|-------------|-------------|------------|-----------|-------------|-------------|-------------|
| Status of Proceedings | Active | Liquidation | Nullity | Set aside | Substantial | Termination | Grand Total |
| ⊕ 2011-2012 | 50 | 58 | 111 | 2 | 85 | 77 | 383 |
| ⊕ 2012-2013 | 111 | 67 | 28 | 5 | 109 | 120 | 440 |
| ⊕ 2013-2014 | 115 | 73 | 21 | 6 | 105 | 89 | 409 |
| ⊕ 2014-2015 | 116 | 73 | 26 | 4 | 101 | 93 | 413 |
| ⊕ 2015-2016 | 145 | 73 | 24 | | 88 | 151 | 481 |
| ⊕ 2016-2017 | 109 | 54 | 17 | 3 | 78 | 114 | 375 |
| ⊕ 2017-2018 | 132 | 39 | 22 | 2 | 63 | 104 | 362 |
| ⊕ 2018-2019 | 140 | 37 | 32 | 5 | 55 | 80 | 349 |
| ⊕ 2019-2020 | 183 | 31 | 15 | 3 | 73 | 68 | 373 |
| ⊕ 2020-2021 | 206 | 30 | 6 | 2 | 80 | 49 | 373 |
| ⊕ 2021-2022 | 279 | 11 | 8 | | 15 | 34 | 347 |
| ⊕ 2022-2023 | 63 | | | | | 2 | 65 |
| Grand Total | 1649 | 546 | 310 | 32 | 852 | 981 | 4370 |

Sixty-five (65) companies and close corporations commenced business rescue proceedings during quarter 1, as shown in Table 3. The decrease in the number of matters continued compared with the 2021-2022 (77 matters) and 2020-2021 (107) financial years.

Table 3: Business Rescue Commenced in each month over the years

| Year/Month | April | May | June | July | August | September | October | November | December | January | February | March | Grand Total |
|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| 2011-2012 | 2 | 7 | 27 | 16 | 33 | 66 | 21 | 35 | 48 | 60 | 39 | 29 | 383 |
| 2012-2013 | 32 | 44 | 23 | 21 | 57 | 53 | 46 | 49 | 18 | 18 | 37 | 42 | 440 |
| 2013-2014 | 31 | 44 | 34 | 43 | 44 | 29 | 47 | 28 | 9 | 36 | 34 | 30 | 409 |
| 2014-2015 | 23 | 34 | 33 | 31 | 54 | 35 | 43 | 34 | 25 | 28 | 24 | 49 | 413 |
| 2015-2016 | 40 | 32 | 22 | 67 | 55 | 35 | 57 | 51 | 16 | 20 | 47 | 39 | 481 |
| 2016-2017 | 27 | 40 | 35 | 39 | 41 | 29 | 33 | 33 | 21 | 19 | 28 | 30 | 375 |
| 2017-2018 | 16 | 27 | 42 | 26 | 33 | 35 | 32 | 46 | 19 | 25 | 31 | 30 | 362 |
| 2018-2019 | 18 | 41 | 27 | 39 | 29 | 30 | 22 | 18 | 20 | 26 | 48 | 31 | 349 |
| 2019-2020 | 28 | 26 | 33 | 35 | 27 | 31 | 36 | 29 | 11 | 26 | 47 | 44 | 373 |
| 2020-2021 | 18 | 59 | 30 | 44 | 16 | 36 | 30 | 33 | 14 | 30 | 30 | 33 | 373 |
| 2021-2022 | 20 | 38 | 18 | 18 | 37 | 51 | 32 | 33 | 10 | 22 | 21 | 47 | 347 |
| 2022-2023 | 19 | 23 | 23 | | | | | | | | | | 65 |
| Grand Total | 274 | 415 | 347 | 379 | 426 | 430 | 399 | 389 | 211 | 310 | 386 | 404 | 4370 |

Figure 7: Volume of Business Rescue Proceedings

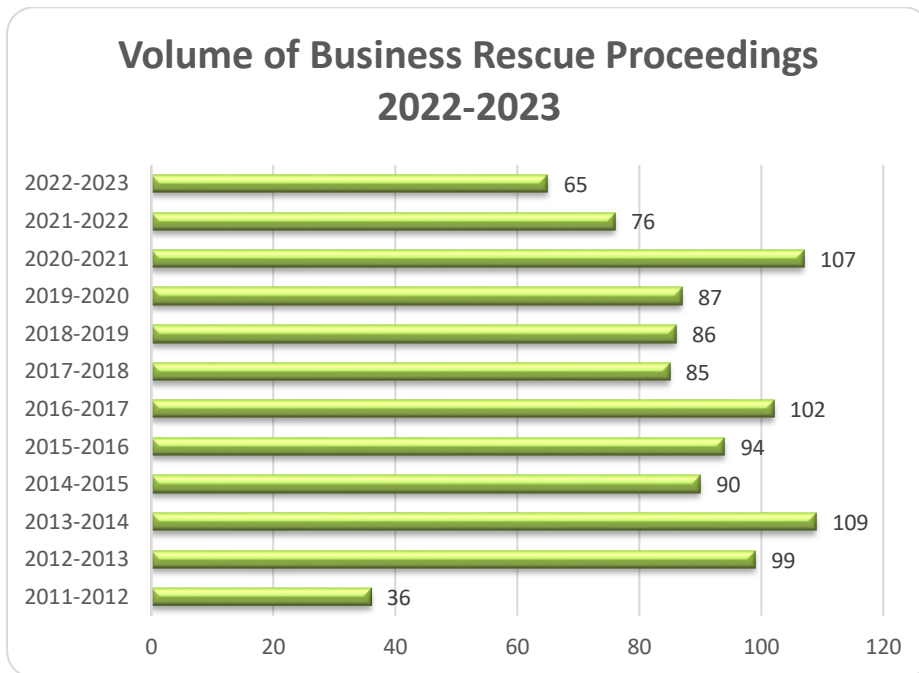
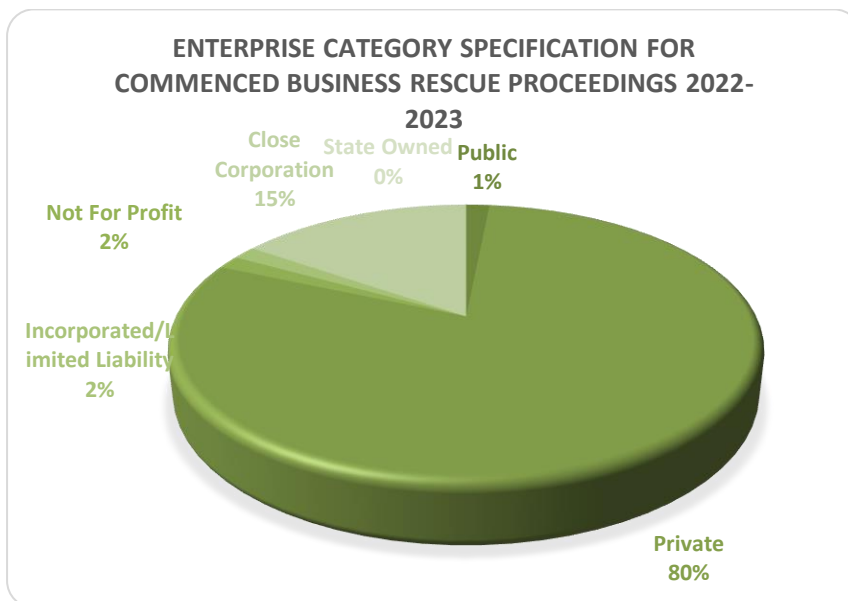


Figure 8: Enterprise Category Specification for commenced Business Rescue Proceedings 2022-23



Unfortunately, the efficiency of processing has not yet increased due to the rework for new matters. Service Delivery turnaround time was 80% for quarter 1.

Quarter 2

Table 4: Status of Business Rescue Proceedings – Q2

| Status of Proceedings v CIPC Financial Year | Active | Liquidation | Nullity | Set aside | Substantial | Termination | Grand Total |
|--|--------|-------------|---------|--------------|-------------|-------------|----------------|
| 2011-2012 | 50 | 58 | 111 | 2 | 85 | 77 | 383 |
| 2012-2013 | 111 | 67 | 28 | 5 | 109 | 120 | 440 |

| Status of Proceedings v CIPC Financial Year | Active | Liquidation | Nullity | Set aside | Substantial | Termination | Grand Total |
|--|-------------|-------------|------------|--------------|-------------|-------------|----------------|
| 2013-2014 | 115 | 73 | 21 | 6 | 105 | 89 | 409 |
| 2014-2015 | 114 | 73 | 26 | 4 | 101 | 95 | 413 |
| 2015-2016 | 145 | 73 | 24 | | 88 | 151 | 481 |
| 2016-2017 | 108 | 54 | 17 | 3 | 79 | 114 | 375 |
| 2017-2018 | 128 | 39 | 22 | 2 | 65 | 106 | 362 |
| 2018-2019 | 138 | 37 | 32 | 5 | 56 | 81 | 349 |
| 2019-2020 | 175 | 32 | 15 | 4 | 78 | 69 | 373 |
| 2020-2021 | 195 | 31 | 6 | 2 | 86 | 53 | 373 |
| 2021-2022 | 248 | 15 | 8 | | 28 | 48 | 347 |
| 2022-2023 | 126 | 2 | 1 | | | 8 | 137 |
| April | 16 | 1 | | | | 2 | 19 |
| May | 19 | 1 | | | | 3 | 23 |
| June | 23 | | | | | 1 | 24 |
| July | 24 | | | | | 2 | 26 |
| August | 25 | | 1 | | | | 26 |
| September | 19 | | | | | | 19 |
| Grand Total | 1653 | 554 | 311 | 33 | 880 | 1011 | 4442 |

Seventy-one (71) companies and close corporations commenced business rescue proceedings during quarter 2, as shown in Table 4 and Table 5. The decrease in the number of matters continued compared with the 2021-2022 (106 matters) and with 2020-2021 (96 matters) financial years.

Table 5: Business Rescue Commenced in each month over the years – Q2

| Year/Month | April | May | June | July | August | September | October | November | December | January | February | March | Grand Total |
|------------|-------|-----|------|------|--------|-----------|---------|----------|----------|---------|----------|-------|----------------|
| 2011-2012 | 2 | 7 | 27 | 16 | 33 | 66 | 21 | 35 | 48 | 60 | 39 | 29 | 383 |
| 2012-2013 | 32 | 44 | 23 | 21 | 57 | 53 | 46 | 49 | 18 | 18 | 37 | 42 | 440 |
| 2013-2014 | 31 | 44 | 34 | 43 | 44 | 29 | 47 | 28 | 9 | 36 | 34 | 30 | 409 |
| 2014-2015 | 23 | 34 | 33 | 31 | 54 | 35 | 43 | 34 | 25 | 28 | 24 | 49 | 413 |
| 2015-2016 | 40 | 32 | 22 | 67 | 55 | 35 | 57 | 51 | 16 | 20 | 47 | 39 | 481 |
| 2016-2017 | 27 | 40 | 35 | 39 | 41 | 29 | 33 | 33 | 21 | 19 | 28 | 30 | 375 |
| 2017-2018 | 16 | 27 | 42 | 26 | 33 | 35 | 32 | 46 | 19 | 25 | 31 | 30 | 362 |
| 2018-2019 | 18 | 41 | 27 | 39 | 29 | 30 | 22 | 18 | 20 | 26 | 48 | 31 | 349 |
| 2019-2020 | 28 | 26 | 33 | 35 | 27 | 31 | 36 | 29 | 11 | 26 | 47 | 44 | 373 |
| 2020-2021 | 18 | 59 | 30 | 44 | 16 | 36 | 30 | 33 | 14 | 30 | 30 | 33 | 373 |
| 2021-2022 | 20 | 38 | 18 | 18 | 37 | 51 | 32 | 33 | 10 | 22 | 21 | 47 | 347 |
| 2022-2023 | 19 | 23 | 24 | 26 | 26 | 19 | | | | | | | 137 |

| Year/Month | April | May | June | July | August | September | October | November | December | January | February | March | Grand Total |
|--------------------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| Grand Total | 27 | 41 | 34 | 40 | 452 | 449 | 399 | 389 | 211 | 310 | 386 | 404 | 4442 |

Figure 9: Volume of Business Rescue Proceedings April to September 2022

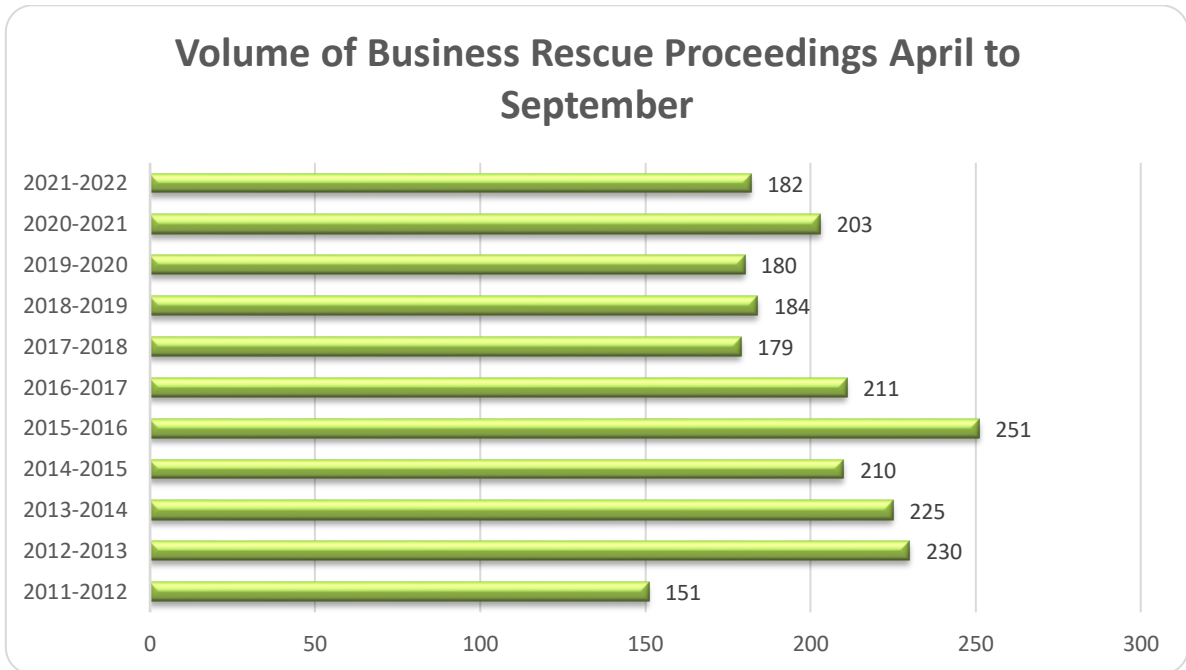
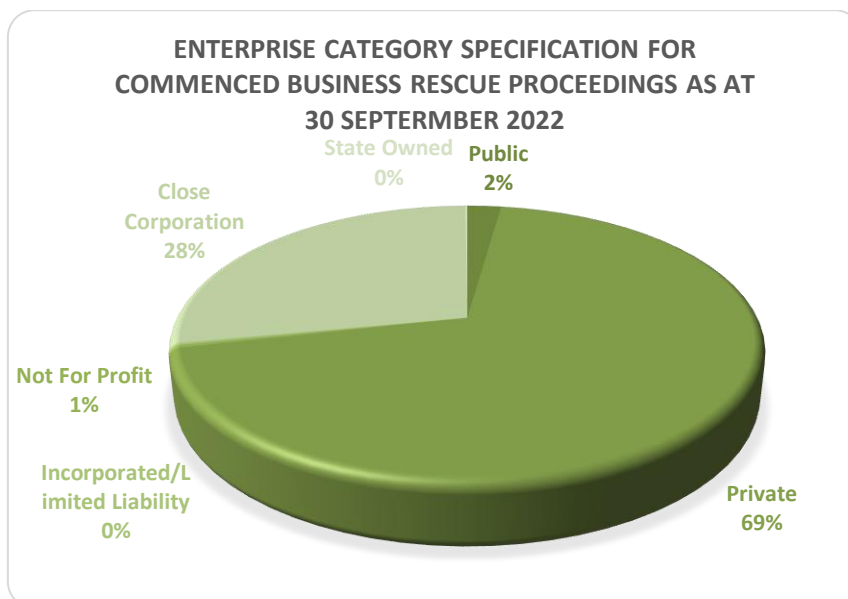


Figure 10: Enterprise Category Specification for commenced Business Rescue Proceedings 2022-23



(iii) Corporate Compliance and Disclosure Regulation

Quarter 1

During 2022/23 Quarter 1, the CIPC continued to monitor compliance and disclosure according to the provisions of the Companies Act, 2008 (Act No. 71 of 2008). During Q1 of 2022/23 the focus of the XBRL Programme was mainly twofold; to stay abreast with the latest developments of accounting standards (by starting work on the CIPC taxonomy to incorporate the latest release of IFRS), and to extend the CIPCs reach of digital regulation by launching a pilot project for Co-operatives to start using XBRL.

In terms of XBRL filings, for Q1 as on 30 June 2022, the following filing statistics were observed:

- Total number of filings since implementation of XBRL = 53 197
- Total number of unique filings since implementation of XBRL = 25 617
- Total number of filings for Q1 2022/23 = 2 930
- IFRS-Full filings since implementation of XBRL = 26 699
- IFRS-SME filings since implementation of XBRL = 26 475
- GRAP filings since pilot implementation of GRAP = 21
- Co-operative filings since pilot implementation of Co-ops = 2

Quarter 2

During 2022/23 Quarter 2, the XBRL team finalised the new taxonomy and gained approval through Change Advisory Board to roll out the new Taxonomy on 01 October 2022, which was successful. An interview was held with the Commissioner by CFO Enterprises deliberating on the value of XBRL to the broader market and how CIPC facilitating delivery of such value with the new digital reporting mechanism. Collaboration with XBRL International was also actioned where a sample XBRL data was shared with the analytics team of XI International, results of the analysis demonstrates power in the data that is kept in the repository of financial statements filed in a structure form using XBRL.

As on 30 September 2022, the following filing statistics were observed:

- Total number of filings since implementation of XBRL = 56 470
- Total number of unique filings since implementation of XBRL = 26 296
- IFRS-Full filings since implementation of XBRL = 28 418
- IFRS-SME filings since implementation of XBRL = 28 021
- GRAP filings since pilot implementation of GRAP = 30
- Co-operative filings since pilot implementation of Co-ops = 3

Reportable Irregularities (RI) arising from Independent Review of Financial Statements

Table 6: Annual Financial Statements

| Statistics | Description |
|-------------------|--------------------------------------|
| <i>Quarter 1</i> | |
| 2930 | Annual Financial statements received |
| 174 | Annual financial statements reviewed |
| * | Pro-active investigations |
| <i>Quarter 2</i> | |

| Statistics | Description |
|-------------------|--------------------------------------|
| 3355 | Annual Financial statements received |
| 152 | Annual financial statements reviewed |
| 311 | Pro-active investigations |

*No Proactive cases were allocated in this quarter due to the public companies that are being pursued from Quarter 4.

Quarter 1

The monthly (13.3%) comparisons reveals an increase in filings during the month of June of 13.3% against the May filings.

Reported irregularities

The RI stream amended a business process to implement the use of CoR 135.2 Notice of Non-Investigation of Complaint with effect from 01 of July. The RI work stream during Q2 will publish an article on which the common cases will be analysed.

Table 7: Reportable Irregularities 2022/23

| | Q1 | Q2 |
|------------------------|-----------|-----------|
| Opening Balance | 294 | 301 |
| Cases Received | 26 | 29 |
| Closed Cases | 19 | 11 |
| Closing Balance | 301 | 319 |

High Profile Companies under Investigation

Table 8: High Profile Companies under Investigation

| |
|---|
| High Impact Cases |
| Quarter 1 |
| Nova PropGrow Group Limited (Compliance Notice Stages) |
| GUD Holdings (Tribunal decision taken on review at High Court) |
| |
| Quarter 2 |
| 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) |

An increased number of closed matters during this quarter more than the allocated matters, after a productivity measurement tool was agreed to and shared for use. Professional bodies in the accounting sector were also engaged on the practice note that was issued to strengthen the Regulation 29(12) reporting requirements.

Table 9: Independent Review: Regulation 29

| | Q1 | Q2 |
|------------------------|------------|------------|
| Opening Balance | 192 | 183 |
| Allocated | 30 | 50 |
| Total Closed | 39 | 52 |
| Closing Balance | 183 | 181 |

Cold cases

Table 10: Cold Case Matters

| | Q1 | Q2 |
|------------------------------------|-----------|----------|
| Administrative fine | | |
| Opening balance | 22 | 9 |
| Order granted | 4 | N/A |
| Settlement order/offer | 2 | N/A |
| Opposed | 4 | 3 |
| Removed from the list | 4 | N/A |
| Currently in court/set down | 5 | 2 |
| Closing balance | 9 | 9 |

Quarter 1

Prospectuses

The prospectus stream also administers Employee Share Schemes as prescribed in the Companies Act and for Q1, 11 CoR46.1 filings were made, there were also Annual Certificates of Employee Share Schemes, which were filed using CoR46.2, the volume of which was 13 during Q1.

Table 11: Prospectus

| COMPANY NAME | PROSPECTUS | FINAL PROSPECTUS | CURRENT STATUS |
|---|------------|------------------|----------------|
| Quarter 1 | | | |
| 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 |

Quarter 2

The highlight of Quarter 2 is the registration of the following prospectus, viz. OLD MUTUAL BULA TSELA RETAIL SCHEME LIMITED. A way of reaching more investors in the broader community as some form of empowerment for investing communities.

Table 12: Prospectuses

| COMPANY NAME | PROSPECTUS | FINAL PROSPECTUS | CURRENT STATUS |
|---|------------|------------------|----------------|
| Quarter 2 | | | |
| LABCORP LIMITED | | DRAFT | PENDING |
| BB SANDTON TWO EP 21 LIMITED LIGHTHOUSE PROPERTIES PLC | | FINAL | REGISTERED |
| HP HOUSE EP20 LIMITED | | FINAL | REGISTERED |
| FYNBOS EP 22 LIMITED | | FINAL | REGISTERED |
| OLD MUTUAL BULA TSELA RETAIL SCHEME LIMITED | | FINAL | REGISTERED |
| ALTVEST CAPITAL LIMITED | | DRAFT | PENDING |
| THE DUKE EP23 LIMITED | | FINAL | REGISTERED |
| GO GETTA LIMITED | | FINAL | REGISTERED |
| ASIA PACIFIC BASKET LIMITED | | DRAFT | PENDING |
| ONE ON ANNE EP24 LIMITED | | FINAL | REGISTERED |
| | | | |
| | | | |

(iv) Corporate Governance, Surveillance and Enforcement

Table 13: Types of contraventions on the complaints received in Q1

| <i>Type of contravention</i> | Number |
|--|---------------|
| <i>Access to company records</i> | 15 |
| <i>Unauthorised removal of director</i> | 11 |
| <i>Unauthorised appointment of director</i> | 10 |
| <i>Directors misconduct</i> | 10 |
| <i>Resigned as a director but still appear on the company records</i> | 6 |
| <i>Unauthorised removal of membership</i> | 3 |
| <i>Resigned as director but still appears on company records</i> | 1 |
| <i>Special resolution not registered</i> | 1 |
| <i>Shareholders rights infringement</i> | 1 |
| <i>Contravention of sec 214</i> | 1 |
| <i>Director misconduct</i> | 1 |
| <i>False company records</i> | 1 |
| <i>Shareholders meeting not held</i> | 1 |
| <i>Company information unlawfully altered</i> | 1 |
| <i>shares unlawfully sold</i> | 1 |
| <i>Company registered without knowledge</i> | 1 |
| <i>Deceased member not removed</i> | 1 |
| <i>Reckless trading</i> | 1 |
| <i>Company was deregistered but revived without concern of the partner</i> | 1 |

| Type of contravention | Number |
|---------------------------------------|--------|
| Falsification of Financial statements | 1 |
| Incorrect date used for the director | 1 |

Figure 11: Type of contraventions on the complaints received in Q1

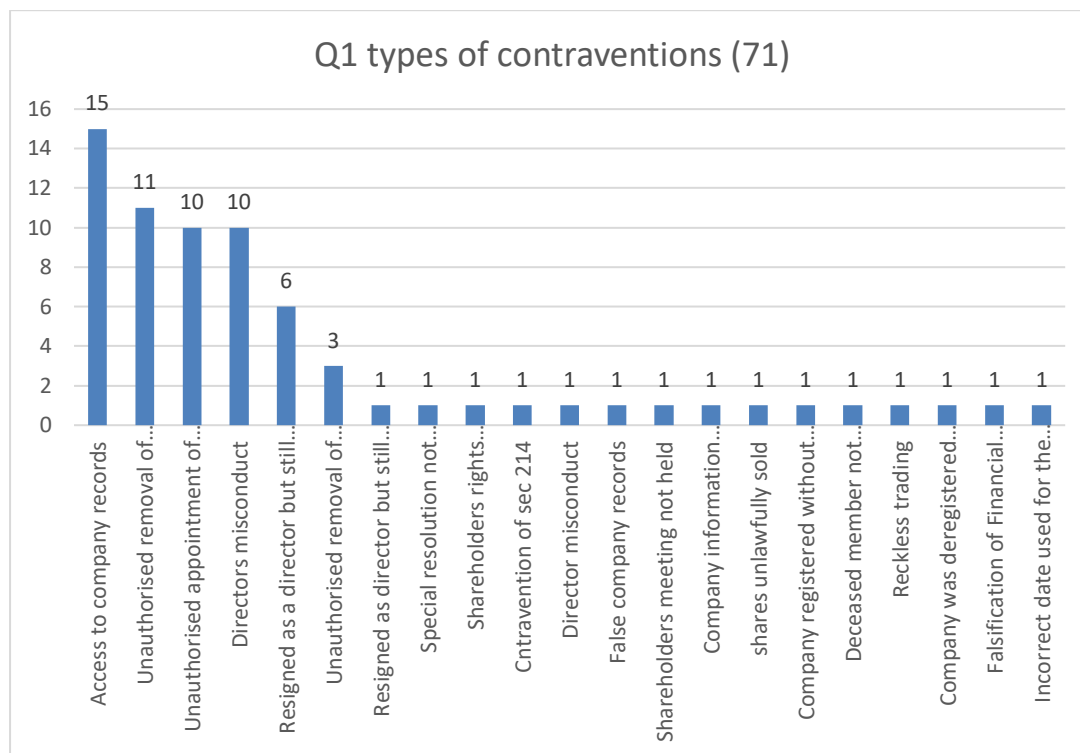


Table 11: Statistics on enforcement of Compliance Notices

| Administrative fine | Q1 | Q2 |
|------------------------|----|----|
| Opening balance | 13 | 14 |
| Order granted | - | - |
| Settlement order/offer | - | - |
| Opposed | - | - |

The enforcement team with the assistance of the Office of the State Attorney are in the process to enforce the long awaited backlog of compliance notices, which were long issued to non-compliant entities. CIPC can apply to court for the imposition of an administration fine where an entity or a person fails to comply with a compliance notice issued by an inspector after an investigation is concluded. This is the best effective enforcement powers that will encourage better compliance of the Companies Act provisions and deter non-compliant entities. All 13 matters are with the State Attorneys. Consultations have underway and affidavits have been drafted.

Quarter 2

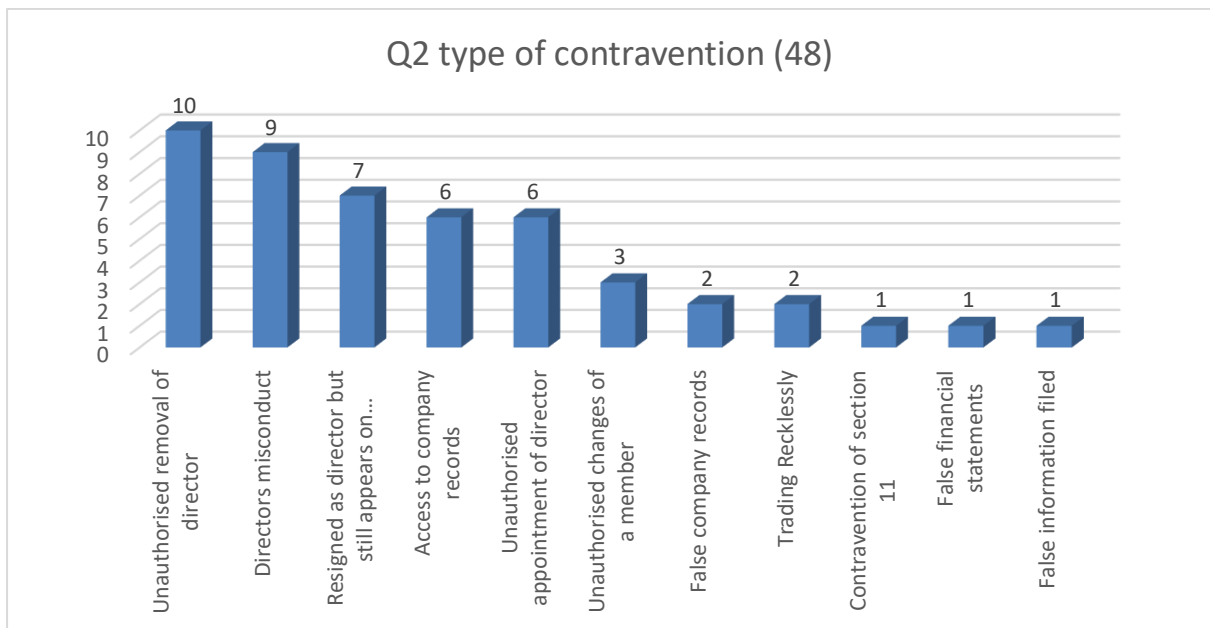
CGSE team have embarked on the targeted Pro-active Investigations on Social and Ethics committee on "refused" decisions adjudicated by Companies Tribunal, whereby the entities made an application to be granted an exemption from establishing a Social and ethics committee in terms section 72(5) of the Companies Act, 2008. In terms of Companies Regulation 43(3)(a)(ii), the entity is required to

appoint the first members of the social and ethics committee within 12 months after the Companies Tribunal decision. Investigators are pro-actively monitoring proper compliance to ensure that companies establish the social and ethics committee.

Table 14: Types of contraventions on the complaints received in Q2

| Type of contravention Q2 | Number |
|--|---------------|
| Unauthorised removal of director | 10 |
| Directors misconduct | 9 |
| Resigned as director but still appears on company records | 7 |
| Access to company records | 6 |
| Unauthorised appointment of director | 6 |
| Unauthorised changes of a member | 3 |
| False company records | 2 |
| Trading Recklessly | 2 |
| Contravention of section 11 | 1 |
| False financial statements | 1 |
| False information filed | 1 |
| Grand Total | 48 |

Figure 12: Type of contraventions on the complaints received in Q2



(v) IP Enforcement

See Section 8 for a detailed Copyright and IP Enforcement Report.

2.1.4 Education and Awareness

(i) Corporate Education and Voluntary Compliance

Quarter 1

The unit participated in 6 events and 16 webinars on invite during the quarter. On 27 June 2022, the unit participated in a Deputy Minister Information Sharing Session at the eDumbe Local Municipality in Kwa Zulu Natal. During the event, a presentation was made on CIPC products and services and the public was assisted with CIPC services. Included in the total number of webinars were ten webinars hosted by the Presidency for Women in Business in which the unit participated.

Service provider was appointed to support the eLearning platform to correct challenges that makes it difficult for customers to use the system.

Quarter 2

During Quarter 2 the unit participated in 7 events and 10 webinars on invite. Included in the webinars on invite, one webinar was hosted by *the dtic* in collaboration with the SA Chamber of Commerce and Industry and seven webinars were hosted by the Presidency for Women in Business. On 27 September 2022, the unit hosted a Co-operative Director Changes webinar.

(ii) IP Education and Awareness

Quarter 1

During this reporting period, the IP education and awareness unit held at 20 (twenty) IP sessions, the sessions were both virtual and physical. It was during this quarter that the unit forged a strategic partnership with National Youth Development Agency and at least two sessions were held which allowed CIPC to disseminate IP information to the youth from nearby townships such as Attridgeville, Mamelodi, Soshanguve and Hammanskral. The audience consisted of young women who were encouraged to invade the entrepreneurial space using IP as a tool.

Other sessions, which were technical in nature, were held with the federations and organizations representing film producers to encourage film applications and registrations.

Quarter 2

During this reporting period, IP education and awareness unit successfully held 18 (eighteen) IP sessions. The sessions were both physical and virtual. It was during this quarter that IP education and awareness unit revived its partnership with South African Agency for Science and Technology Advancement (SAASTA). SAASTA was able to bring high school learners in the subject of mathematics and science and this enabled CIPC to provide the learners with information on IP careers especially that learners learning mathematics and science.

Again, partnership with the University of Limpopo further provided the students in the field of communications and library studies to be exposed to the CIPC offerings in the area of intellectual property.

2.1.5 Customer contact: Call Centre, QRS, and Social Media etc.

(i) Client Engagement and E-communication

Table 12: Customer Contact: Call centre, QRS, and Social Media shows overall performance of the customer contact platforms.

Table 15: Customer Contact: Call centre, QRS, and Social Media

| <i>Platform</i> | <i>Number</i> | <i>Quarter 1</i> | <i>Quarter 2</i> |
|--------------------------------|-------------------------------|------------------|------------------|
| <i>Call centre</i> | Calls received | Not Determinable | Not determinable |
| | Calls answered (%) | 33 633 | 33 945 |
| <i>Query Resolution System</i> | Queries received | 40 484 | 41 354 |
| | Queries closed | 39 381 | 38 178 |
| | Queries closed within 10 days | 95% | 93% |
| | | | |
| <i>Facebook</i> | Queries received | 12 000 | 11049 |
| | Queries resolved (%) | 10 000 | 10471 |
| <i>Twitter</i> | Queries received | 3600 | 4144 |
| | Queries resolved (%) | 2800 | 3295 |

Quarter 1

The Call centre answered 33 633 calls during Quarter 1. This is an increase of 5 053 calls answered for the quarter in comparison to Quarter 1 of 2021/22. One of the reason for the increase is the appointment of 4 new staff members during Q2 (2 staff members) and Q3 (2 staff members) of the 2021/22 financial year.

Customers logged 40 484 tickets during Quarter 1 of the financial year on the Query Resolution system. This is an increase of 1923 tickets in relating to the first quarter of 2021/22 financial year. Ninety five percent of tickets received, where closed within the 10 days turnaround time.

Social media queries received during the reporting period aggregated to 15 600, and 12800 queries were resolved, i.e., 82% of the received queries. Facebook received more queries than Twitter. Similarly, Majority of responded queries were from Facebook, as opposed to Twitter. The average turnaround time for Facebook was 5h 2m, and Twitter was 4h 19m.

Quarter 2

During Q2, the call centre answered 33 945 calls. It stays consistent with the number of calls answered during Q1.

A total of 41 354 tickets were logged on the Query Resolution system during Q2. The percentage of tickets responded to within the turnaround time dropped with 2% from Q1 to 93%.

The number of social media queries amounts to 15193, of which 13766 (i.e., 90.6%) were responded within the service turnaround time. The performance increased by 8.6% compared to the last quarter. The latter also takes into account the improved turnaround time for Twitter and Facebook queries.

(ii) Service centres

Table 16: Self Service Centers' (Pretoria, Johannesburg and Cape Town) Traffic – Quarter 1 & 2

| | Quarter 1 | | | | Quarter 2 | | | |
|------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Pretoria | Johannesburg | Cape Town | TOTAL | Pretoria | Johannesburg | Cape Town | TOTAL |
| Company Registrations | 732 | 1640 | 2235 | 4607 | 1126 | 1620 | 2257 | 5003 |
| Create Customer Codes | 1083 | 1715 | 2229 | 5027 | 1451 | 1778 | 2216 | 5425 |
| Re-set Password | 1159 | 334 | 2088 | 3581 | 1552 | 712 | 1558 | 3822 |
| Name Reservations | 207 | 559 | 2091 | 2857 | 105 | 892 | 1728 | 2725 |
| Annual Returns | 2586 | 1636 | 1868 | 6090 | 3068 | 2882 | 2386 | 8336 |
| IP | 472 | 170 | 79 | 721 | 908 | 164 | 162 | 1234 |
| Director Amendments | 88 | 51 | 113 | 252 | 501 | 442 | 214 | 1157 |
| Member Amendments | 0 | 33 | 20 | 53 | 0 | 111 | 71 | 182 |
| Auditor & ACC Officers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CO & CC address | 102 | 155 | 4 | 261 | 285 | 149 | 57 | 491 |
| Cert and Disc | 453 | 1013 | 153 | 1619 | 1370 | 1168 | 523 | 3061 |
| Ent Enquiry | 496 | 1093 | 911 | 2500 | 1687 | 1333 | 1149 | 4169 |
| Name Change | 173 | 125 | 214 | 512 | 101 | 188 | 160 | 449 |
| Name Transfer | 0 | 9 | 10 | 19 | 0 | 3 | 22 | 25 |
| Customer Transactions | 587 | 0 | 0 | 587 | 1430 | 0 | 48 | 1478 |
| General/Other | 916 | 1738 | 2072 | 4725 | 1920 | 1551 | 1969 | 5440 |
| Walk-in's | 9094 | 10271 | 14087 | 33452 | 15484 | 12994 | 14264 | 42742 |

There was a significant increase in self-service centre clients (28%) in comparison to the first quarter, which indicates the return of transactional normality that was disrupted by the Covid-19 pandemic

2.1.6 Disclosure

Table 17: Paper Based Disclosure Production Stats

| | Q1 | Q2 |
|-----------------------------|------|------|
| Disclosure Request received | 4405 | 1587 |
| Received plus carried over | 4603 | 1428 |

| | | |
|------------------------------|------|------|
| Disclosure request completed | 4223 | 1626 |
| Outstanding tickets | 380 | 160 |
| Disclosure request billed | 2462 | 1222 |

Table 18: State Department – Disclosure Billing Statistics

| | Q1 | Q2 |
|---|------|------|
| Disclosure Request Received | 2030 | 1043 |
| Disclosure Request received plus carried over | 2736 | 1322 |
| Disclosure Requests completed | 2053 | 476 |
| Duplicate requests | 113 | 34 |
| Outstanding | 683 | 846 |

The new website changes and processes had impact on Q2 performance. The state departments were struggling to capture their requests on the website and needed assistance from the team.

Table 19: Disclosure Query Resolution

| | Closed within TAT | Closed outside TAT | Total tickets closed for the quarter | %Inside TAT | % outside TAT | Average TAT |
|----|-------------------|--------------------|--------------------------------------|-------------|---------------|-------------|
| Q1 | 3223 | 802 | 4025 | 80.1 | 19.9 | 8,7 days |
| Q2 | 3345 | 1286 | 4631 | 72.2 | 27.8 | 13,2 days |

2.1.7 Modernisation, Automation and Channels

The CIPC channels in place are e-services website, self-service centres (SSCs) and partner sites (self-service terminals (SSTs)), BizPortal, which includes the Banks (FNB, Nedbank, Standard Bank, ABSA, and SASFIN), Mobile App, the call center, the resolution system (QRS), as well as social media (Facebook, Twitter, YouTube and Telegram). The CIPC multi-channel strategy seeks to extend the CIPC footprint nationally and globally by the development and expansion of multiple channels, more so for virtual channels.

Table 16: CIPC Channels & services offered show services offered in each channel.

Table 20: CIPC Channels and services offered

| Services/Channels | E-service Website | SSCs and Partner Sites (SSTs) | Banks (FNB, Nedbank, ABSA) | BIZPORTAL |
|---|-------------------|-------------------------------|--|-----------|
| Integrated services (SARS, UIF, Compensation Fund, Banks Acc, BEE Cert) | No | Yes – BBBE certificate | Yes – company registration and business bank account | Yes |
| Patents applications | Yes | No | No | No |
| Designs applications | Yes | No | No | No |
| Copyright in film | Yes | No | No | No |
| Trade marks applications | Yes | No | No | No |
| Name reservations | Yes | Yes | Yes | Yes |
| Companies registration | Yes | Yes | Private company registration only | Yes |
| Co-operatives Registrations | No | No | No | No |
| Domain Name Registrations | Yes | No | No | Yes |
| Director Amendments | Yes | Yes | No | No |
| Member Amendments | Yes | Yes | No | No |
| Auditor Changes | Yes | Yes | No | No |
| Name changes | Yes | Yes | No | Yes |
| address changes | Yes | Yes | No | Yes |

| Services/Channels | E-service Website | SSCs and Partner Sites (SSTs) | Banks (FNB, Nedbank, ABSA) | BIZPORTAL |
|-----------------------------|-------------------|-------------------------------|----------------------------|-----------|
| Financial Year End Changes | Yes | Yes | No | No |
| Enterprise enquiry | Yes | Yes | No | No |
| Disclosures | Yes | Yes | No | No |
| BBBEE Certificates | Yes | Yes | Yes – Only Nedbank | Yes |
| Disclosures- MOI Documents | Yes | Yes | No | No |
| Disclosures -Approved names | Yes | Yes | No | No |
| Queries | No | No | No | No |
| Information access | Yes | Yes | Yes | Yes |
| Annual Returns filing | Yes | Yes | No | Yes |
| AFS filing | Yes – XBRL portal | No | No | No |

Table 20: Partner Sites show the CIPC partner sites where self-service terminals (SSTs) are hosted:

Table 21: Partner sites

| Province | Partner |
|---------------|---|
| Gauteng | Gauteng Department of Economic Development (GDED) |
| Gauteng | InvestSA Gauteng Growth and Development Agency (GCDA) |
| Gauteng | Transnet Enterprise Development Hub in Johannesburg, |
| North West | North West Development Corporation (NWDC), |
| North West | Orbit TVET College in Rustenburg |
| KwaZulu-Natal | Trade and Investment KwaZulu-Natal (TIKZN), |
| KwaZulu-Natal | KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (KZN DEDTE) |
| KwaZulu-Natal | Transnet Mega Hub in Richards Bay |
| Western Cape | West Coast Business Development Centre (WCBDC), |
| Western Cape | InvestSA in the Western Cape |
| Northern Cape | Northern Cape Department of Economic Development and Tourism (NDEDT) |
| Free State | Free State Development Corporation(FDC) |
| Limpopo | Limpopo Economic Development Agency (LEDA) |
| Mpumalanga | Mpumalanga Department of Economic Development and Tourism (MDEDT) |
| Eastern Cape | Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT). |

The multi-channels strategy is geared towards availing the CIPC products and services 24/7. **Table 21: Channels and Services Available 24/7** shows the CIPC channels and service available 24/7.

Table 22: Channels and Services Available 24/7

| Channels available 24/7 | Services available 24/7per channel |
|-------------------------|---|
| 1. CIPC Website | Company registration Company name reservation Company and close corporation address changes Company and close corporation financial year end changes Company name change Company share change Annual Returns Domain name registrations BB-BEE certificate XBRL Filing |
| 2. CIPC Mobile App | Company registration Company name reservation Annual Returns BB-BEE certificate Booking Disclosure Certificates Shopping Cart |
| 3. BizPortal & Banks | Company Registration Company name reservation Domain Name Registrations BB-BEE certificate Company and close corporation address changes Company name change Company and Close Corporation Annual Returns |
| 4. SSTs | Company Registration Password re-set Enterprise Enquiry Company name Reservation Company and close corporation address changes BB-BEE registration for exempted micro enterprises Domain names Electronic Disclosure Company Name Change Customer transaction Annual Returns Amend Co Director Details Amend CC Member Details |
| 5. Emails | Electronic Filing (Prospectus, Independent Review and Reportable Irregularity) Company registration Company associated name reservation MOI Changes Close corporation to company conversions External company registrations Merger and amalgamations MOI Amendments Company location of company record changes Voluntary deregistration Voluntary and court order liquidations Business Rescue Proceedings, Status reports, Substantial Implementations, Terminations and court orders relating to business rescue Company and close corporation reinstatements |

Quarter 1

During the third quarter term, the organisation introduced Artificial Intelligence through a ChatBot on its website. The bot is being refined in the fourth quarter and phase 1 of three is being piloted. The

idea is to have phase 2 of three implemented in the first quarter of 2022/3. The implementation of the second phase of the bot is being halted while the organisation is implementing an updated telephony system, which enables seamless contact and communication through modern tools and soft phone functionality.

All efforts are being directed to an enhance electronic filing platform and within the second quarter of the year the organisation will be making announcements about the enhancement of all electronic channels i.e. the BizPortal and the e-services platform.

In the last term, the organisation hosted a SADC virtual conference with registries from within the SADC region the SADC sub-region, viz. Mozambique, Angola, e-Swatini, Malawi, Zimbabwe as well as delegates from the Indian Ocean Islands of Seychelles and Mauritius and delegates from Nigeria and Gambia. Speakers came from Botswana (CIPA), Namibia (BIPA and the Revenue Agency), Mauritius (Registrar of Companies), Lesotho (OSFC), Kenya (Kenya Anti-Counterfeiting Authority) that shared their respective registries and countries’ experience of adapting to new ways of conducting business as a consequence of the Covid-19 Pandemic. Topics of discussion included the use of technology to improve compliance, progress towards the development of beneficial ownership repository and intellectual property enforcement in the digital environment. The delegates shared best practices and innovation triggered by the eruption of the Covid-19 Pandemic.

Quarter 2

The Commissioner launched enhancements to the BizPortal and an updated transactional e-services site, which will be released once stability is achieved with the Department of Home Affairs integration. CIPC plays an integral role in the second phase of InvestSA/World Bank reduction of red tape programme, which was launched in September this year.

CIPC was honoured to be awarded the GovTech Innovation award for large companies earlier this month.

The ChatBot pilot is being expanded using different software and through an internal process whereby senior technical people are equipping a small cross-functional team to build an expansive chat function.

CIPC is constantly expanding its business support function and is in the process of signing an agreement with a startup business that offers address enhancement functions to have these services under its Bizsupport offering on BizPortal.

Quarter 1

Table 23: Progress Report on Migration to New E-services

| SERVICE | Quarter 1 | Quarter 2 |
|------------------------------|------------------|----------------------------|
| <i>Customer registration</i> | 100% | Completed. Pending release |
| <i>Customer login</i> | | Completed. Pending release |
| <i>Password reset</i> | 100% | Completed. Pending release |

| SERVICE | Quarter 1 | Quarter 2 |
|---|------------------|----------------------------|
| <i>Foreigner verification</i> | 100% | Completed. Pending release |
| <i>Private company registration</i> | 100% | Completed. Pending release |
| <i>Non-profit company registration</i> | 100% | Completed. Pending release |
| <i>Proposed name reservation</i> | 100% | Completed. Pending release |
| <i>Defensive names</i> | 100% | Completed. Pending release |
| <i>Proposed name extension</i> | 100% | Completed. Pending release |
| <i>Proposed name transfer</i> | 100% | Completed. Pending release |
| <i>Company name changes</i> | 100% | Completed. Pending release |
| <i>Company director amendments</i> | 100% | Completed. Pending release |
| <i>Close corporation member amendments</i> | 100% | Completed. Pending release |
| <i>Company & CC annual returns</i> | 100% | Completed. Pending release |
| <i>Company & CC address changes</i> | 100% | Completed. Pending release |
| <i>Company share changes</i> | 100% | Completed. Pending release |
| <i>PI score calculator</i> | 100% | Completed. Pending release |
| <i>FAS</i> | 100% | Completed. Pending release |
| <i>AFS</i> | 100% | Completed. Pending release |
| <i>AFS downloads</i> | 100% | Completed. Pending release |
| <i>Certificates downloads</i> | 100% | Completed. Pending release |
| <i>Financial year end changes</i> | 100% | Completed. Pending release |
| <i>Company auditor changes</i> | 100% | Completed. Pending release |
| <i>Enterprise search</i> | 100% | Completed. Pending release |
| <i>B-BBEE certificates</i> | 100% | Completed. Pending release |
| <i>Compensation fund & UIF registration</i> | 100% | Completed. Pending release |
| <i>Business bank accounts</i> | 100% | Completed. Pending release |
| <i>POPIA [Phase 1]</i> | 100% | Completed. Pending release |

| SERVICE | Quarter 1 | Quarter 2 |
|------------------------------------|------------------|----------------------------|
| <i>Card payments</i> | 100% | Completed. Pending release |
| <i>Co-operative annual returns</i> | Q3 | Q3 |
| <i>Business rescue</i> | Q4 | Q4 |
| <i>Compliance Checklist</i> | 100% | Completed. Pending release |
| <i>Back-office & Workflow</i> | Ongoing | Completed. Pending release |

2.2 Organizational Environment

2.2.1 Governance, Compliance and Risk

See Section 4.

2.2.2 Investigations and Anti-corruption

See Section 4.

2.2.3 Industrial/Labour relations issues

Table 24: Labour Relations Issues

| | Quarter 1 | Quarter 2 |
|---|------------------|------------------|
| <i>Misconduct cases under investigation</i> | 1 | 0 |
| <i>Misconduct cases at a disciplinary hearing stage</i> | 3 | 3 |
| <i>Warnings</i> | 0 | 1 |
| <i>Grievances finalised</i> | 0 | 0 |
| <i>Labour disputes at CCMA</i> | 4 | 3 |
| <i>Labour disputes at GPSSBC</i> | 1 | 1 |
| <i>Labour disputes at Labour Court stage pending</i> | 5 | 6 |

2.2.4 Appointments, Resignations, Retirements, Terminations

Table 25: Appointments, Resignations, Retirements and Terminations

| | Quarter 1 | Quarter 2 |
|---------------------|------------------|------------------|
| <i>Appointments</i> | 4 | 6 |
| <i>Resignations</i> | 3 | 5 |
| <i>Retirements</i> | 1 | 2 |
| <i>Terminations</i> | 0 | 0 |

2.2.5 Discontinued activities / activities to be discontinued

None.

2.2.6 New or proposed activities

None.

2.2.7 Facilities and Security

Quarter 1.

Compliance to Miss and PFMA (Loss Control Policy) - policy draft is complete and will be send for further perusal to the Executive Manager: Corporate Service prior to tabling at Labour, Manco, etc.

Compliance to MISS and PFMA (CCTV system) - Procurement process underway with RFQ send out on the 04 July 2022 and closed 08 July 2022.

Procurement process was ceased due to inflated price of the project, and an internal decision was made to go out on tender to include all 3 SSC`s and source a service provider who will conduct both the installation and monitor the CCTV camera systems.

Compliance to MISS and PFMA (Physical Security) (OPS) - Security appraisal report was send to the "the dtic" for implementation. Implementation meeting were held with the "the dtic", SAPS, and CIPC and Variation order will be triggered with Rainprop/Broll. **The implementation is dependent on the "the dtic" and Broll.**

A VO was triggered by the "the dtic" and the implementation is expected to be finalized by the 22 November 2022.

Appointment of security guarding (Johannesburg) - National Treasury issued an instruction to haul advertising of tender. Thus, a normal procurement (RFQ) process is underway and on evaluation stage.

A new security guarding service was appointed to render guarding service for a period of 12 months, effective from 02 August 2022 and end 01 August 2023.

Appointment of security Guarding (Pretoria SSC) - BAC approved the Tor and submission requesting advertising of tender is underway.

SCM advised Facilities to follow the RFQ process due to the term of the lease agreement, which is due on the 31 January 2024. Thus, the option for tender is halted and the RFQ process is underway.

Appointment of security guarding service (Cape Town) - BAC approved the terms of reference and submission requesting permission to advertise tender is underway.

SCM advised Facilities to follow the RFQ process due to the term of the lease agreement, which is due on the 31 March 2023. Thus, the option for tender is halted and the RFQ process is underway.

Compliance to OHS Committee - Committee members were nominated accordingly with training underway and expected to be finalised on the 14 July 2022. The first awareness programme is schedule for the month of July 2022, and first aid boxes installed accordingly.

All schedule training where finalized accordingly and monthly awareness programme are conducted.

Compliance with facilities and accommodation services: - Normal procurement (RFQ) process are underway and on the evaluation stage. The first RFQ process was unsuccessful, thus the procurement was re-start. The procurement is anticipated to be finalise in the next week.

Nsudeng Cleaning service was appointed to render cleaning services within the JHB SSC for a period of 36 months, effective from the 01 August 2022 to 31 July 2023 at an amount of R 898,013.99.

Compliance with facilities and accommodation services:- Terms of reference are done and procurement process (RFQ) invites schedule to be send out in the next week.

The current lease agreement with Tshipembe mzansi was extended with another 1 month to compensate for the lost period in June due to the office closure due to Covid-19 at no additional cost. Procurement for a new service provider is underway.

Katanga Parking Contract: Procurement process was initiated and due to contractual issues between Rainprop (Landlord), Broll (Facilities Service provider appointed by Rainprop) and the "the dtic" procurement process was halted until further notice.

The CIPC was issues with confirmation letter of appointment of Broll and advised to pay and conduct all future parking procurement with Broll. Procurement process are underway.

Quarter 2

Compliance to MISS and PFMA (CCTV system) - Procurement process was ceased due to the inflated price of the project, and an internal decision was made to go out on tender to include all 3 SSC`s and source a service provider who conduct both the installation and monitor the CCTV camera systems including building block "F".

While waiting for tender process a decision was made to procure the service of a CCTV service provider to repair/resuscitate the JHB and Cape Town CCTV camera systems. Procurement process is underway with RFQ send out on the 04 July 2022 and closed 08 July 2022.

Compliance to MISS and PFMA (Physical Security) (OPS) - A VO was triggered by the "the dtic" with intent to implement the recommendation from the security report, and implementation is expected to be finalized by the 22 November 2022.

Appointment of security guarding (Johannesburg): A new security guarding service (i.e. Insingizi MNS Security) was appointed to render guarding service for a period of 12 months, effective from 02 August 2022 and end 01 August 2023 amounting to **R766,020.00**.

Appointment of security Guarding (Pretoria SSC) - SCM advised Facilities to follow the RFQ process due to the term of the lease agreement, which is due on the 31 January 2024. Thus, the option for tender was stopped and an RFQ process is underway.

Appointment of security guarding service (Cape Town) - SCM advised Facilities to follow the RFQ process due to the term of the lease agreement, which is due on the 31 March 2023. Thus, the option for tender was halted and an RFQ process is underway.

Compliance to OHS Committee - All schedule training were finalised accordingly and monthly awareness programme are being conducted.

Compliance with facilities and accommodation services: - Nsudeng Cleaning service was appointed to render cleaning services within the JHB SSC for a period of 36 months, effective from the 01 August 2022 to 31 July 2023 at an amount of **R 898,013.99**.

Compliance with facilities and accommodation services: - The current lease agreement with Tshipembe Mzansi Project was extended with another one month to compensate for the lost period in June due to the office closure due to Covid-19 at no additional cost. Procurement for a new service provider is underway.

Katanga Parking Contract: Finally, procurement process is underway to appoint Broll as a parking management service provider. The CIPC was issued with confirmation letter of appointment of Broll as the parking management service provider within the campus.

2.2.7 Media analysis/campaign/strategies

Quarter 1

The CIPC has been making efforts to build and maintain its reputation as a credible and reputable registrar and regulator of companies. Efforts to build and protect our reputation are related to media management.

The CIPC leverages opportunities of receiving free publicity through engaging media on highlights and milestones that the CIPC achieves. Some of the engagements is to state the CIPC position on matters that impact our reputation. We also regularly monitor media coverage to track CIPC reputation; track the effectiveness of media releases and gauge media sentiments on the coverage of CIPC stories; and to identify matters that are likely to become issues, and take corrective action.

Proactive news sharing

In the period under review, the CIPC leveraged media platforms to position the organisation as a modern regulator. Media release were issued regarding the following issues/highlights:

April 2022

1. THE CELEBRATION OF WORLD INTELLECTUAL PROPERTY DAY ON 26TH APRIL 2022

The CIPC, NIPMO, the dtic, DSI, the University of Mpumalanga (UMP), TIA and SEDA hosts the World Intellectual Property Day on the 26th of April 2022 celebrations.

May 2022

2. CIPC HOSTS THE SADC COMPANIES REGISTRIES' AND IP ENFORCEMENT AGENCIES CONFERENCE

The Companies and Intellectual Property Commission (CIPC), responsible for company registrations and the protection of Intellectual Property hosts a Southern Africa's Development Community (SADC) Companies Registries' and Intellectual Property enforcement agencies' virtual Conference on Tuesday, the 17th of May 2022, under the theme: *the agility of Companies and IP Registries within the context of the Covid-19 pandemic.*

June 2022

3. CIPC REMINDS BUSINESS PRACTITIONERS OF THEIR DUTY TO FILE AFS THROUGH XBRL

The CIPC reminds business entities and business practitioners of the requirement to file their Annual Financial Statements (AFS) through eXtensible Business Reporting Language (XBRL).

Media coverage: April to June 2022

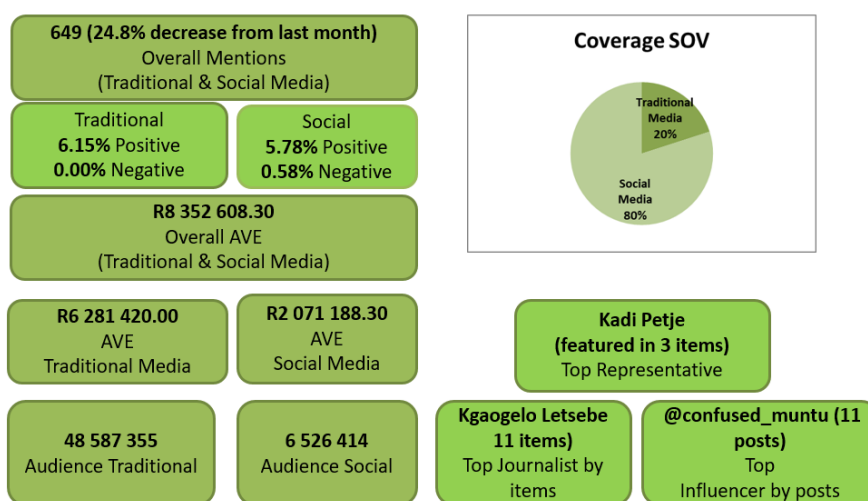
Media monitoring also enables the organisation to determine the Advertising Value Equivalent (AVE) for the CIPC. Advertising Value Equivalent (better known as AVE), is the monetary value of what it would cost to place your editorial content as an advert. It was created to give Public Relations (PR)

professionals a measurable context in the communications and marketing sphere, originally comparing it against brand advertising. An arbitrary multiplier is often applied, justified on the basis that editorial content has greater credibility and is valued more by consumers than advertising space.

Media monitoring includes “traditional” media such as print, broadcast and online as well as “new” media such as blogs, social media sites, etc. Table 22 below, illustrates media coverage in April 2022.

Table 26: Media Coverage Overview – April – June 2022

1. Media Coverage Overview



Note that Traditional Media encompasses print, broadcast and online sources.

In the period under review, coverage in both traditional and social media was mostly neutral in tone. As expected, company registration matters had the most neutral mentions across social and traditional media platforms. There were also social media mentions linked to the CIPC website being down.

The World Intellectual Property Day celebrations drove discussion in both traditional and social media. Other positive coverage in traditional media involved the CIPC's partnership with the National Small Business Chamber (NSBC).

Negative remarks only came from social media: @DalitsoChandi who complained about problems with filing of AFS.

There is no media monitoring coverage for May as the department was transitioning between service providers. The term for the previous provider ended at end April and the new provider started in June.

June media coverage

Traditional Media –

In June 2022, the Companies and Intellectual Property Commission generated 168 traditional media items with a combined advertising value equivalent (AVE) of R13 164 110 and an estimated reach of 10 478 773.

Print media generated 84 articles (50%); broadcast generated 2 media clips (1%) and online 82 articles (49%). Of these, 9% (15 items) were positive, 87% (147) were neutral and 4% (6) were negative.

Social Media generated 955 items with a combined advertising value equivalent (AVE) of R2 832 197 and an estimated reach of 5 649 809. Of these items, 27% (255 clips) were positive, 66% (629) were neutral, 0% (2) were mixed and 7% (69) were negative.

Prominent coverage highlights were:

- How to play in the township economy. "SSMEs, cooperatives, and start-ups must be registered with the Companies and Intellectual Property Commission"
- What important points to look at if a trust holds a CC membership. "Because a trust is not a legal person, the trustees will be the member of the close corporation, not the trust. In the case of multiple trustees, an originally signed special power of attorney by each of the trustees appointing one of them as the representative of the trustees for purposes of holding and dealing with the members' interests in the CC has to be lodged with CIPC"
- To create a world-class supply chain, the SA logistics industry needs a better, faster Know Your Customer. "Businesses in the logistics sector can action CIPC and credit searches, verify whether individuals appear on the worldwide PEP and sanctions lists – and have all this information integrated into one convenient report"
- When should a company consider business rescue? "The decision to seek business rescue can either come from within the company, such as a decision by the board or directors, or from outside advisors or lenders. When a company makes this decision, they will usually start by going to their attorneys who will guide them through the rest of the process and draft a resolution which will be filed with the Companies and Intellectual Property Commission (CIPC)".

Quarter 2

Media Report: July – September

The CIPC has been making efforts to build and maintain its reputation as a credible and reputable registrar and regulator of companies. Efforts to build and protect our reputation are related to media management.

The CIPC leverages opportunities of receiving free publicity through engaging media on highlights and milestones that the CIPC achieves. Some of the engagements is to state the CIPC position on matters that impact our reputation. We also regularly monitor media coverage to track CIPC reputation; track the effectiveness of media releases and gauge media sentiments on the coverage of CIPC stories and to identify matters that are likely to become issues, and take corrective action.

1. Proactive news sharing

In the period under review, the CIPC leveraged media platforms to position the organisation as a modern regulator. Media releases were issued regarding the following issues/highlights:

CONTRAVENTION OF SECTION 33 OF THE COMPANIES ACT BY PUBLIC COMPANIES

Filing of Financial Accountability Supplements instead of Audited Annual Financial Statements during the period 01 April 2020 to 31 March 2021

On 01 July 2018, the Companies and Intellectual Property Commission (CIPC) mandated Extensible Business Reporting Language, which is a digital financial reporting mechanism for companies to file audited annual financial statements (AFSs) in an electronic format.

COMPLIANCE NOTICE ISSUED TO NOVA PROPGROW GROUP HOLDINGS LTD

Inter-Regulator Investigation Following Failure to Satisfy the Commission from a Notice to Show Cause Regarding Reckless Trading or Trading Under Insolvent Circumstances.

Nova Propgrow Group Holdings Ltd, Reg. No. 2011/003964/06 (herein after referred to as NOVA) has been a subject of an investigation for identified and possible contraventions of the Companies Act 71, of 2008 (as amended) (herein after referred to as 'the Companies Act').

COMPANIES REGULATOR HOSTS THE BIZPORTAL ENHANCEMENT LAUNCH ON THE 19TH OF AUGUST 2022

The Companies and Intellectual Property Commission (CIPC), responsible for the registration and maintenance of companies as well as the protection of Intellectual Property will host, in partnership with the World Bank Group and InvestSA, a launch of additional services to its BizPortal company registration platform on the 19th of August 2022 at the Regency Hotel in Menlyn, Pretoria from 8:30 (for 9:00) until 12:00 midday.

Radio Interviews

Patents and Designs Unit participated in an X-K FM program and focused on "Understanding the Patent System" on 27 August 2022 through an invitation. X-K FM is a local SABC radio station targeting the San people of Platfontein in the Northern Cape to preserve the !Xu and Khwe cultures, uplifting, developing and informing the communities.

2. Media Monitoring

Media monitoring also enables the organisation to determine the Advertising Value Equivalent (AVE) for the CIPC. Advertising Value Equivalent (better known as AVE), is the monetary value of what it would cost to place your editorial content as an advert. It was created to give Public Relations (PR) professionals a measurable context in the communications and marketing sphere, originally comparing it against brand advertising. An arbitrary multiplier is often applied, justified on the basis that editorial content has greater credibility and is valued more by consumers than advertising space.

Media monitoring includes "traditional" media such as print, broadcast and online as well as "new" media such as blogs, social media sites, etc.

July – September media analysis report

In July to September 2022 quarter, the Companies and Intellectual Property Commission generated 331 traditional media items with a combined advertising value equivalent (AVE) of R26 million and an estimated reach of 19 million.

Print media generated 86 articles, online 242 articles, and 3 broadcast clips. Of these, 21% were positive, 78% were neutral and 1% were negative.

Social Media –

Social Media generated 4 424 items. Of these items 8% were positive, 83% were neutral and 9% were negative.

Prominent coverage highlights were:

- 2021 CIPC independent review survey
- CIPC returns to the Finance Indaba 2022
- Luxury golf estate faces criminal charge for not playing by Companies Act rules
- Cabinet also approved the appointment of Advocate Rory Voller as the commissioner for the Companies and Intellectual Property Commission
- Are you a foreigner intending on establishing a business presence in South Africa?
- Treasury tables bill to tackle money laundering
- Investor confidence gets fillip with arrests of more Transnet former execs
- Registration labour and tax: The most important compliance requirements for new small businesses
- Accelerate your small chemicals business to success
- Court will decide on BATTLE between Nova and Sharemax
- South Africans called on to apply for funding to build South Africa's hydrogen economy.
- SIU investigating dodgy Lottery grants worth over R1.4bn
- Parliament Seeks Comment on Anti-Money Laundering Bill
- Last chance to accelerate your small business
- The legal and regulatory requirements of offshore trust reporting
- Why SA courts are quick to declare dishonest directors of NPCs delinquent
- Four accused appear in court for R61 million fraud
- #ImStaying is still around – but the money's gone
- Tourism KwaZulu – Natal enterprise development programme applications open.

2.2.8 New challenges and risks identified in the quarter

Quarter 1

Expiry of contracts

Due to the expiry of the StreamYard contract, we were not able to host webinars on corporate education and voluntary compliance during the quarter.

Eskom Load Shedding

During the hosting of webinars load shedding makes it difficult for attendees to log in.

Quarter 2

No challenges reported.

2.3 New Policy and Legislative Changes

This section describes new policy and legislative developments, the effect on the CIPC activities, and how these were addressed.

Quarter 1

None.

Quarter 2

None.

2.4 Progress towards achievement of institutional Impacts and Outcomes

For the five (5) year strategic period 2021/22 – 2025/26, the CIPC focuses on 4 Impact Statements and as shown below:

2.4.1 Impact Statement #1: A world-class modern regulator (Short Description)

Impact Statement #1: Building the required competencies and capabilities to become **a world-class modern regulator** that is fit-for-purpose, agile, adaptive, relevant, and ahead of the curve making a strategic contribution towards SA’s improved competitiveness and growth.

Table 27: Impact Statement #1 – Performance Table

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress 2022/23 | |
|---|--|---|--|--|--|
| | | | | Quarter 1 | Quarter 2 |
| <i>Organisational competencies and capabilities</i> | Organisation Design (OD) | Service Provider appointed, and a Steering Committee established | OD completed | Gap analysis concluded. Solution design underway were the Commissioner is having one on one meeting with the Executives. | To-Be Organisational Structure is underway; the Office of the Commissioner is looking at it. |
| | Organisational Structure Implementation | Old Organisational Structure in place | Implementation of the new organisational structure completed | New Organisational structure is still being finalized. | New Organisational structure is still being finalized. |
| | Number of staff with appropriate competencies | Skills audit to determine skills gap | All staff with appropriate competencies | Skills audit is completed waiting for consultation and approval. | Skills audit is completed waiting for consultation and approval. |
| | Policies reviewed to align to the CIPC Vision 2030 Strategy | 11 policies were approved in 2020 including Voluntary Early Retirement Policy approved and implemented, Telecommuting policy approved, and training to prepare for implementation is underway | All relevant policies reviewed to align to the CIPC Vision 2030 Strategy | A policy register is kept and monitored. 42 out of 52 policies are up to date. | 39 out of 52 policies are up to date and there are 3 new planned policies. Policies are reviewed at least after three years. |
| | Number of ICT systems modernized (migration to modern platforms) | Migration to K2 and IPAS underway | All ICT systems modernized (migrated to | 29 services were planned to be released during Q1. Services | 29 services planned for release in Q1 was rolled over to Q2. DHA |

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress 2022/23 | |
|---------|-----------------------------------|--|-------------------------------|--|---|
| | | | | Quarter 1 | Quarter 2 |
| | | | modern platforms – K2 & IPAS) | was not released due to incomplete testing by business as well as the instability of connections to DHA that support these services | <p>connectivity still has not been resolved; however, additional resourcing has been allocated for reviewing development for any errors as well as Business UAT.</p> <p>As a fast tracking mechanism, 32 services have been identified to be released as part of a soft launch on 14/10/2022. This will be done subsequent to completed development and UAT</p> |
| | Percentage of processes automated | 29% automated (excluding internally focused processes) | 100% automated processes | 7 processes fully automated PI score calculator Location of records AFS Downloads Foreigner Assurance Private Company Registration Nonprofit company registration Company Director Amendments CC Member Amendments | <p>ICT systems for BRR BRR</p> <p>Development completed. UAT completed. Pending release to production</p> <ul style="list-style-type: none"> • PI Score calculator • AFS Downloads • Foreigner Assurance <p>Awaiting UAT</p> <ul style="list-style-type: none"> • Company Director Amendments • CC Member Amendments <p>Not started</p> |

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress 2022/23 | |
|---------|-------------------|----------|----------------------------|------------------|--|
| | | | | Quarter 1 | Quarter 2 |
| | | | | | <ul style="list-style-type: none"> • Private Company Registrations • NPO Registration <p>ICT systems for the IP Business Unit:</p> <ul style="list-style-type: none"> - Internal Memo submitted, requesting such projects to be managed by the ICT. - Configuration of the backend IPAS system at least 90%. - The last version of WIPO File presented by the WIPO development team appeared not to match CIPC requirements. The IP has proposed re-engineering of the existing e-services platform as a replacement of WIPO File. <p>In the process of developing functional specification for Phase 1 of the Frontend system to link to the IPAS backend.</p> |

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress 2022/23 | |
|---------|--------------------------|------------------|----------------------------|------------------|--|
| | | | | Quarter 1 | Quarter 2 |
| | | | | ic | Out of 10 customer and stakeholder score |
| | Financial Sustainability | To be determined | Good financial standing | No report | No report |

2.4.2 Impact Statement #2: Ease of doing business in SA (Short Description)

Impact Statement #2: Reducing the regulatory administrative burden by creating ease, simplicity, and flexibility in the formation, maintenance and compliance by companies, as well as protection of intellectual property. This will make it **easy to do business in SA**, contributing to enterprise efficiency, growth and sustainability.

Table 28: Impact Statement #2 – Performance Table

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress 2022/23 | |
|---------|---|---|--|---|---|
| | | | | Quarter 1 | Quarter 2 |
| | | | | Reduced administrative compliance burden for companies and IP owners | Turnaround times for key services |
| | Number of services available 24/7 | To be determined | All services available 24/7 | See Table 18 | See Table 18 |
| | Number of transacting channels operational 24/7 | 3 (CIPC Website, Mobile App, BizPortal) | Website, Mobile App, BizPortal, and any other existing channels at the time operational 24/7 | 6 transactional channels are operational Eservices New Eservices BizPortal Mobile App SST Website | 6 transactional channels are operational Eservices New Eservices BizPortal Mobile App SST Website |

2.4.3 Impact Statement #3: Investor confidence in SA businesses and innovations (Short Description)

Impact Statement #3: The CIPC will ensure implementation and compliance with Company and IP Laws to create a reputable Business Regulation and IP Protection environment in South Africa, contribution to **investor confidence in SA businesses and innovations** translating to investments in business and innovations, contributing to business growth and sustainability.

Table 29: Impact Statement #3 – Performance Table

| <i>Outcome</i> | Outcome Indicator | Baseline | Five year target (2025/26) | Progress – 2022/23 Quarter 1 | Quarter 2 |
|---|--|------------------|--|--|---|
| <i>Reputable business and IP regulation environment</i> | Stage of development of the business ownership register | To be determined | Register functional | Internal Multi-Disciplinary Steering Committee Set up and approved; Business Case translated and registered as a Project; Training and capacitation of Steering Committee; Best practice requirements document sourced as feedback from Open Ownership; Internal and External Engagement with international experts | Functional Specification approved, which includes Business Processes. Multis-stakeholder engagements continuing to gain input from other authorities, viz. Masters Office , SARS, FIC, inter alia |
| | Stage of development and implementation of investigations and enforcement strategy | To be determined | Development of the investigations and enforcement strategy completed, implemented. | CGSE will not focus only on the case received from public, but will be extended the focus on investigation on the Corporate Governance, Pro-active Surveillance and Enforcement. Three sub-units investigation strategy is being developed. Corporate Governance strategy; Pro-active Surveillance strategy and Enforcement strategy currently being benchmarked from best practice. | Initial meeting was held between the Corporate Compliance Disclosure Regulation unit and Corporate Governance Surveillance Enforcement Unit to discuss the combined Enforcement Strategy development. A follow up meeting will be held with the Commissioner and the two respective Enforcement Units so that we can align with the expectations of the Executive members. Desktop Benchmarking exercise had begun. |
| | List of compliance surveillance and enforcement capabilities developed | To be determined | Partnerships Business Intelligence Data analytics Integrated case management (automated) | Initial meeting was held internally within CIPC to source the Case Management System. | It was resolved that a case management system needs to be procured externally. Before the procurement of the Case Management |

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress – 2022/23 | |
|--|--|------------------------------------|---|---|---|
| | | | | Quarter 1 | Quarter 2 |
| | | | Training and Exposure | Plans are underway to improve intelligent reporting on the surveillance capability of the Compliance Checklist Tool. | System, we need to assess internally if other units are interested in the similar Case Management system so that CIPC can procure one system for various units but they might have different access rights. Internal Communication was sent out to MANCO members to respond of their requirements needs. A part of the proposed OD CGSE structure, it was agreed that one of the vacant post will be of a Business Intelligent Data Analysts as part of the persons who will assist in the Compliance Surveillance capabilities. The Business Intelligent Analyst will assist In the research and analysis of different data sets, profiling, dashboard and reporting to support in the initiation of pro-active investigation in terms of the Companies Act. |
| <i>Strengthening the validity of granted IPR (patents designs and copyright), and in doing so reduce litigation costs for the client</i> | The stage of Substantive Search Examination implementation | Patent examiners training underway | Substantive Examination Search implementation | Examiners commenced with the Experiential Learning Program (ELP). Each examiner produced an average of 6 reports. Some of the non-binding reports were issued to the participating law firms. | Implementation of Substantive Search and Examination Experiential Learning Program (ELP). Each examiner produced an average of 6 non-binding examination reports were issued to the participating law firms. |

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress – 2022/23 | |
|---|---|--|---|---|---|
| | | | | Quarter 1 | Quarter 2 |
| <i>Businesses (and potential business owners) and innovators supported (including reducing IP filing costs)</i> | List of Programmes to support businesses (and potential business owners) and IP creators and owners supported | Programmes in place: 1. Webinar information sessions in collaboration with SEDA and others 2. IP for SMMEs 3. Inventor Assistance Programme (Reduce filing costs) | Programmes to support business and innovators in place. | The unit participated in 16 webinars on invite from stakeholders such as the Presidency, SEDA, NYDA and ProudlySA. -Facilitated appointment of service provider to support the eLearning programme. The IAP program continues to assist SMME and individual applicants to file for the protection of their inventions. Two screening committee meetings were held in Q1 and one application was referred for pairing with pro bono patent attorney. | Education and awareness programme implementation continues The IAP program continues to assist SMME and individual applicants to file for the protection of their inventions. One screening committee meeting was held in Q2 and one application was referred for pairing with pro bono patent attorney. |
| | Number of businesses supported | To be determined | To be determined | Depends on resource availability and influx of invites. | Depends on resource availability and influx of invites. |
| | Number of persons supported | To be determined | To be determined | Depends on resource availability and influx of invites. | Depends on resource availability and influx of invites. |
| <i>Increased awareness of business and IP protection laws, regulations, and processes</i> | Number of education and awareness programmes | Programmes in place: 1. Education and awareness of relevant ACTS, regulations, and amendments 2. IP for Kids, for Schools, and for Institutes of Higher Learning | Education and awareness programmes in place | -Collaborate with Presidency focusing on Women Owned Businesses. -Working with municipalities to access people in rural areas. -Participated in the dtic Deputy Minister Outreach Programme event. | Education and awareness programmes for both IP and Corporate Regulation Continues. |

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress – 2022/23 | |
|---------|---------------------------|------------------|-----------------------------|---|---|
| | | | | Quarter 1 | Quarter 2 |
| | Number of persons reached | To be determined | To be determined | Depends on resource availability and influx of invites. | Depends on resource availability and influx of invites. |

2.4.4 Impact Statement #4: Supported third party decision making

Impact Statement #4: Support third party decision making by leveraging knowledge assets and networks, extracted maximum value for the CIPC and its customers.

Table 30: Impact Statement #4 – Performance Table

| Outcome | Outcome Indicator | Baseline | Five year target (2025/26) | Progress 2022/23 | |
|---|---|--|--|--|--|
| | | | | Quarter 1 | Quarter 2 |
| CIPC Data and system Integrity - Data accuracy - Data security | Data inaccuracies (errors, inconsistencies, unusable data, duplicated data) | 90% of historic data of the Past 10 years Data (2011 to 2021) cleansed (Baseline as at 30 June 2022) | 90% of historic data of the Past 50 years Data (1971 to 2025) cleansed | 90% of historic data of the Past 10 years Data (2011 to 2021) cleansed | 30% of historic data of the past 20 years (2002-2021) cleansed |
| | Data security (Implementation of the Information Security Management Framework) | Approved Information Security Management Framework (Baseline as at 30 June 2022) | Implement Initiatives as per the approved ISM Framework’s roadmap | Approved Information Security Management Framework | ToR to advertise tender is being finalized. |
| Data sharing strategy - IPR Enforcement Data/Information Integration (All stakeholders) - Collaborate on data exchange to maximize benefits from data collected such triangulation | Data gathering tools - Mobile App - Data repository & data exchange (Collaboration) | To be determined | To be determined | Mobile App Launched | Planning and process mapping to get the App live |

3. Performance against the APP

3.1 Progress made against unachieved targets in the previous quarter – N/A

3.2.1 Programme 1: Service Delivery and Access

| Output | Performance Indicator/Measure | Annual Target 2022/23 | Quarter 1 Milestone | Quarter 1 Actual Performance | Reasons for variance | Progress |
|---|---|--|------------------------------|---|--|---|
| Implement Organisation Design Outcome (Review of Performance Management Policy) | Performance Management Policy Document | Performance Management Policy reviewed | Engagement with Stakeholders | Not achieved. Between 28 -30 June 2022, MANCO was requested to make inputs into the reviewed policy. | Between 28 -30 June 2022, MANCO was requested to make inputs into the reviewed policy. | The Policy was tabled at MANCO on 18 October 2020 |
| Facebook – resolve queries within the set turnaround time – 1 working day | % of queries received through Facebook resolved within the set turnaround time - 1 working day | 96% | 95% | 83% | The unit was understaffed due to the absence of two team members. | The staff has returned to their stations. |
| Availability of Secure ICT systems and effective infrastructure | % of business objectives of automation and integration of business processes through technology (Automated company registration & automated BI reports) | 80% | 80% | Not achieved | Capacity constraints | Release planned for Q3 |
| Implement ICT Strategy | % implementation of ICT strategy (Out of 6 Service Catalogue items) | 80% | 16% (1) | Not achieved | Capacity constraints | Release planned for Q3 |

| Output | Performance Indicator/Measure | Annual Target 2022/23 | Quarter 1 Milestone | Quarter 1 Actual Performance | Reasons for variance | Progress |
|---|---|-----------------------|----------------------|------------------------------|---|-------------|
| Implement mobile/Chat- bot services in line with future projected CIPC standards (X hours and Y days to instant delivery) | Number of processes identified for automation on Mobile/Chat-Bot platform | 4 | 1 | 0 | Mobile/ChatBot currently on hold due to lack of resources | KPI removed |
| Shared Services Portal through BizPortal | API Gateway and Management Platform implemented | API in place | Steercom operational | 0 | On hold pending feedback from BAC on pricing | KPI removed |

3.2.2 Programme 2: Innovation & Creativity Promotion

| Output +A2:G6 | Performance Indicator/Measure | Annual Target 2022/23 | 1st Quarter Milestone | 1st Quarter Actual Achievement | Reasons for Variance | Progress |
|---|--|-----------------------|-----------------------|--------------------------------|--|--------------------------|
| IP enforcement public education and awareness events conducted by the CIPC, also in collaboration with partners | Number of IP enforcement education and awareness events conducted by the CIPC, including collaboration with partners | 15 | 5 | 4 | There was an error in the APP, the target was 2. | The APP has been revised |

3.2.3 Programme 3: Business Regulation and Reputation

| <i>Output</i> | <i>Performance Indicator</i> | <i>2022/23 Annual Target</i> | <i>1st Quarter Milestones</i> | <i>1st Quarter Actual Achievement</i> | <i>Reasons for Variance</i> | <i>Progress</i> |
|---|---|--|--|---|---|--|
| <i>Automated Beneficial Ownership Register (Strengthened financial system and ownership transparency for SA registered entities)</i> | Stage of development of the Beneficial Ownership Register | Beneficial Ownership Registration System | Research Report and Business Requirements Document | The Q1 milestone (Research Report and Requirements Document) was not achieved per se, however the activities below were achieved laying foundation for the two deliverables. Activities achieved: Internal Multi-Disciplinary Steering Committee Set up and approved; Business Case translated and registered as a Project; Training and capacitation of Steering Committee; Best practice requirements document sourced as feedback from Open Ownership; Internal and External Engagement with international experts | The reported activities had to be finalised prior to delivering the Research Report and Requirements document | Increase focus to remediate timelines as per action plan. EPMO confirmed that the engagement to consolidate the initial project actions to be undertaken in Q2, viz. Requirement Definition Sessions The APP was revised. |

3.2 Progress made against current quarterly milestones

3.2.1 Programme 1: Service Delivery and Access

| Output | Indicator/Measure | Baseline | 2022/23 Annual Target | | | | |
|---|--|----------------------|--|--|----------------------|--|---|
| | | | | 2nd Quarter Milestones | Actual Performance | Reasons for Variance | Planned Action |
| Implement Organisation Design Outcome (Review of Performance Management Policy) | Performance Management Policy Document | OD completed process | Performance Management Policy reviewed | Policy reviewed and submitted for approval | Not achieved | MANCO requested that the policy be revised to be like other public entities. | A benchmark excise is being carried out. The revised policy will be presented again to MANCO. |
| Clean audit report | AG Audit Outcome | Clean audit | Clean Audit | AGSA audit report issued with no findings | Clean audit achieved | N/A | N/A |
| Increase the score of the customer stakeholder value index | A score between 1 – 10 of the customer and stakeholder value index, a higher score indicating satisfaction with the CIPC | 7.4 | 8 | - | N/A | N/A | N/A |
| Customer satisfaction at the call centre | % - average call centre customer satisfaction | 7.5 | 7.7 | 7.5 | 8.2 | Continuous training and emphasis on customer satisfaction | N/A |
| E-communication satisfaction | % customer satisfaction on e-engagement | 60% | 70% | - | N/A | N/A | N/A |
| SSCs customer satisfaction | % customer satisfaction on SSCs | 75% | 75% | 75% | 90% | On-going customer awareness and training | N/A |
| QRS – resolve queries within the set turnaround time - 10 working days | % of queries received through the QRS resolved within the set turnaround time – 10 working days | 90% | 90% | 90% | 93% | E-mails sent to units with high volumes of tickets outstanding which due dates expired | N/A |

| Output | Indicator/Measure | Baseline | 2022/23 Annual Target | | | | |
|---|--|---------------|-----------------------|------------------------|--------------------|---|---|
| | | | | 2nd Quarter Milestones | Actual Performance | Reasons for Variance | Planned Action |
| Facebook – resolve queries within the set turnaround time – 1 working day | % of queries received through Facebook resolved within the set turnaround time - 1 working day | 90% | 96% | 95% | 95% | N/A | N/A |
| Twitter - resolve queries within the set turnaround time - 1 working day | % of queries received through Twitter resolved within the set turnaround time - 1 working day | 60% | 65% | 63% | 80% | The resources were reorganised to also give priority to Twitter queries | N/A |
| Automated Company Registration | Number of services (Company Registration) migrated | New indicator | 56 | 29 (0) | 0 (0) | Development and UAT to be concluded on Name Reservations before release can be done | Release on certain services planned for 14/10/2022 |
| | Number of new services (Company Registration) developed | New indicator | 19 | 17 (3 – BizPortal) | 17(0) | Development and UAT to be concluded on Name Reservations before release can be done | Release on certain services planned for 14/10/2023 |
| Automated business intelligence report | Number of automated business intelligence report (Reports to be specified by business) | New indicator | 15 | 7 (4) | 4 (0) | 3 Reports have been developed and released to the production environment to be tested by business however; reports have not been formally signed off. Scope of Phase 2 reports still to be determined | Sign off on Q1 Deliverables (Reports) Planning and scoping of Q2 Deliverables (Reports) |

| Output | Indicator/Measure | Baseline | 2022/23 Annual Target | | | | |
|---|--|----------|-----------------------|------------------------|--------------------|---|----------------|
| | | | | 2nd Quarter Milestones | Actual Performance | Reasons for Variance | Planned Action |
| Reduced turnaround time to resolve queries received through the QRS – 10 working days | Average turnaround time to resolve queries received through the QRS | 5 | 7 | 7 | 4 | Emphasising importance of resolving queries as soon as possible | N/A |
| Reduced turnaround time to resolve queries received through Facebook (working days) | Average turnaround time to resolve queries received through Facebook (hours) | 24 | 12 | 15 | 4h2m | officials are scheduled to respond to queries throughout the day (office hours) | N/A |
| Reduced turnaround time to resolve queries received through Twitter | Average turnaround time to resolve queries received through Twitter (hours) | 24 | 12 | 15 | 3h32m | officials are scheduled to respond to queries throughout the day (office hours) | N/A |

3.2.2 Programme 2: Innovation & Creativity Promotion

| Output | Performance Indicator/Measure | Baseline | Annual Target | 2nd Quarter Milestones | Actual Achievement | Reasons for Variance | Planned Action |
|--|--|---|---------------|------------------------|--------------------|------------------------------|----------------|
| Substantive search examination (SSE) Experiential Learning | Number of non-binding work products issued per examiner (work product includes Search Report and a Written Opinion on patentability such a work product will in future be issued to an applicant) in line with SSE Experiential Learning | 16 SSE trained patent examiners and 28 interns under training | 24 | 12 (6) | 12 (6) | N/A | N/A |
| | Number of SSE Training initiatives undertaken | New Indicator | 4 | 2 (1) | 3 (1) | N/A | N/A |
| Inventor Assistance Programme Implemented | Number of IAP Review Committee meetings to screen applications | New Indicator | 4 | 2 (1) | 3 (1) | Two meetings were held in Q1 | N/A |
| Compliance with Regulations by Accredited Collecting Societies | Number of education and awareness events to promote compliance to regulations by Collecting Societies conducted by the CIPC including collaboration with its partners | New Indicator | 4 | 2 (1) | 4 (1) | 3 workshops held in Q1 | N/A |

| Output | Performance Indicator/Measure | Baseline | Annual Target | 2nd Quarter Milestones | Actual Achievement | Reasons for Variance | Planned Action |
|---|--|----------|---------------|------------------------|--------------------|---|----------------|
| IP education and awareness events conducted by the CIPC, also in collaboration with partners | Number of IP education and awareness events conducted by the CIPC, including collaboration with partners | 40 | 36 | 20 (10) | 20 (18) | Positive responses from the partners and stakeholders to hold IP sessions during this quarter | N/A |
| IP enforcement public education and awareness events conducted by the CIPC, also in collaboration with partners | Number of IP enforcement education and awareness events conducted by the CIPC, including collaboration with partners | 15 | 9 | 5 (1) | 8 (3) | More sessions held in Q1 \$ Q2 | N/A |
| Increase capacity in Law Enforcement Agencies on IPR | Number of Law Enforcement training sessions | 4 | 4 | 3 (1) | 3(1) | More sessions held in Q1 \$ Q2 | N/A |

3.2.3 Programme 3: Business Regulation and Reputation

| Output | Performance Indicator/Measure | Baseline | 2022/23 Annual Target | 2nd Quarter Milestones | Actual Achievement | Reasons for Variance | Planned Action |
|--|---|---|---|---|--------------------|---|---|
| Reduction in the average number of days to register a company from the date of receipt of a complete application | The average number of days to register a company from the date of receipt of a complete application. | 1 | 1 | 1 | 1 | N/A | N/A |
| Reduction in the average number of days to approve applications for registering a co-operative from the date of receipt of a complete application. | The average number of days to approve applications for registering a co-operative from the date of receipt of a complete application. | 1 | 1 | 1 | 1 | N/A | N/A |
| CIPC Learning Academy | Business case | Steering Committee in place Conceptual Framework in place Nominated WIPO trainees. Nominated WIPO Project Manager (IP) | Approved Request for Proposal (RFP) for the development of the CIPC Learning Academy Business Case Approved | Specifications Committee – Approves TOR - Commissioner approves the Advertising of the Tender (RFP) (Q2) | Not achieved | Competing priorities and resource constraints from PMO | The matter is receiving attention and PMO has re-prioritize its activities to cater for the TOR |
| Corporate education and awareness events conducted by the CIPC, also in collaboration with partners | Number of education and awareness events conducted by the CIPC, also in collaboration with partners | 40 | 30 | 20 (10) | 40 (18) | Participated in 17 events / webinars on invite and hosted 1 webinar. A high number of requests to participate in webinars and events were received. | N/A |

| Output | Performance Indicator/Measure | Baseline | 2022/23 Annual Target | 2nd Quarter Milestones | Actual Achievement | Reasons for Variance | Planned Action |
|---|--|------------------------|--|--|---|----------------------|----------------|
| Automated Beneficial Ownership Register (Strengthened financial system and ownership transparency for SA registered entities) | Beneficial Ownership Register Establishment Phase | Approved Business Case | Beneficial Ownership Register Establishment System (Phase 1) | Business Process Development and Approval | Business Process developed and approved as part of the Functional Specification | N/A | N/A |
| 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 Companies Act No 71 of 2008 on Companies identified on State Capture Commission Report Started | New Indicator | 2 | Analysis report from Intelligent-gathering phase-Study and reading of the state capture report | Analysis report prepared. Commissioner appointed State capture Task team dedicated to review and investigate allegations steaming from State Capture reports. | N/A | N/A |
| Targeted Pro-active Investigations | Number of Pro-Active Investigations in response to contraventions of Companies Act No 71 of 2008 on Companies identified from XBRL and Companies Tribunal (Social and Ethics committee decisions) started. | New Indicator | 3 | Analysis report from Companies Tribunal decisions refused on the application to be exempt from establishing Social and Ethics committee. identifying entities in contraventions of the Act | Analysis report prepared. 5 pro-active investigations allocated to investigators. | N/A | N/A |

4. Governance, Risk and Compliance Quarterly Report (01 July – 30 September 2022)

1. PURPOSE

The purpose of this report is to provide a summary of work carried out by the GRC division during the 2nd quarter of the 2022/23 financial year.

2. HIGHLIGHTS

2.1 Summary of achievements for the quarter.

- Reviewed Delegation of Authority Framework
- Implementation of Compliance framework and Universe
- Business Continuity Process and Risks Review

3. MATTERS FOR APPROVAL

There are no matters for approval by the Committee for the reporting period.

4. GOVERNANCE

4.1 Implementation of the Governance Framework

The approved governance framework is being implemented as part of the GRC operational activities for each reporting period. All governance meetings were held and as scheduled. The CIPC continues to implement. For the reporting period, the leadership of the CIPC persisted in its commitment to taking ethical business decisions and conducting its operations with a firm commitment to values, while meeting stakeholders' expectations.

The Code of Ethics and Conduct Policy is being implemented to heighten awareness on organisational value, organisational culture and conduct expected of employees of the CIPC. A weeklong ethics awareness campaign, which precedes the International Fraud Awareness Week by 1 week, is planned for roll out throughout the CIPC.

4.2 Status of Policies as at 30 September

There is a 50% increase in the number of policies which remained due for review at the end of the quarter in comparison with the previous quarter. The

increase is directly connected to the decrease in the number of policies which were “up to date” for the same period. Custodians of these policies were sensitised to this risk, which if not addressed, could escalate to an issue for the organisation.

Figure 1

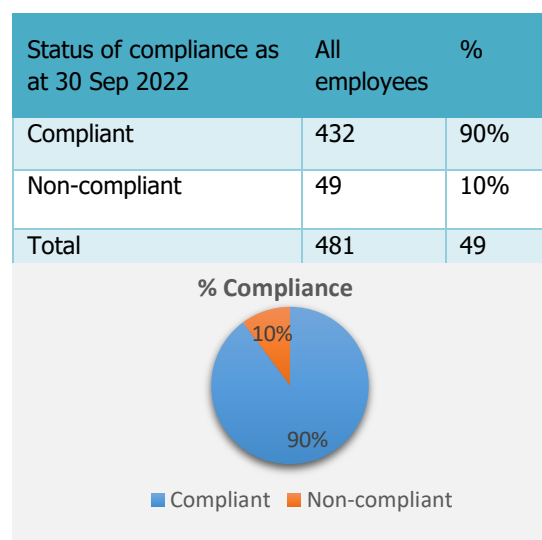
| Comparison | No of policies | Up to date | Due for review | New Policies | In progress |
|-------------------------|----------------|------------|----------------|--------------|-------------|
| Q1 | 52 | 42 | 5 | 2 | 3 |
| Q2 | 52 | 37 | 10 | 2 | 2 |
| Division | No of policies | Up to date | Due for review | New Policies | In progress |
| HR | 15 | 12 | 1 | 0 | 2 |
| BISG | 11 | 7 | 3 | 1 | 0 |
| Finance | 8 | 8 | 0 | 0 | 0 |
| Facilities and security | 5 | 2 | 3 | 0 | 0 |
| Client engagement | 1 | 1 | 0 | 0 | 0 |
| GRC | 7 | 7 | 0 | 0 | 0 |
| Strategy | 5 | 2 | 1 | 2 | 0 |
| TOTAL | 52 | 37 | 10 | 3 | 2 |

4.3 Declaration of Interest.

The implementation of the declaration of interest policy is an ongoing process. A process to verify information submitted in the declaration forms is underway with a report expected within a week.

- As at 30 September, compliance 90% of all forms had been submitted, compared to the 67% recorded in Q1. The total number accounted is inclusive of interns.
- The process to verify information submitted is almost complete. The aim is to ensure that risks associated with the management of conflict of interest adequately identified and addressed.
- Based on the submitted declarations, 19% of employees declared directorship/partnership in other entities with only 1% receiving remuneration outside of CIPC.

Figure 2



| Category of declaration | # of staff |
|---|------------|
| Directorship and Partnership remunerated | 93 |
| non- | |

5 RISK MANAGEMENT

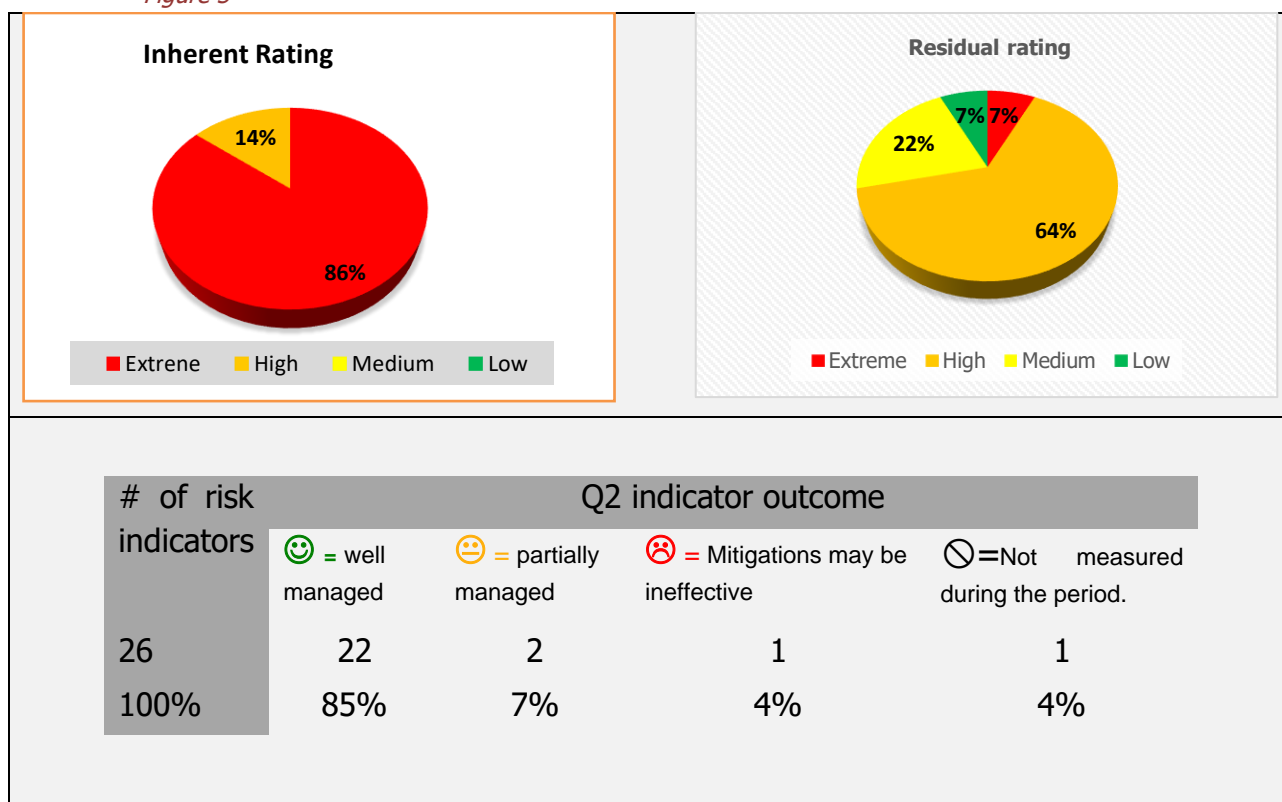
5.1 Overview

This section provides progress on the management of strategic and operational risks during the reporting period. Implementation of strategic mitigating actions for Q2 is summarised under 5.2 and 5.3 below.

5.2 Strategic Risk Dashboard

The strategic risk dashboard below provides a summary of strategic risk ratings as at 30 September 2022. The total number of strategic risks fell by 1 risk in Q2, as a result of the decision taken by EXCO to remove the risk associated to Covid-19. This risk will be managed operationally going forward.

Figure 3



The residual rating improved slightly compared to the previous reporting period. This may be attributed to the change in the number of strategic risk at the beginning of the quarter. The OD project remains one of the key controls which has a potential of reducing many of the risks associated with it. Some control improvement actions which

are implemented in phases, can only be assessed once the project/control has been implemented in full.

The risk the indicator dashboard shows an upward movement which affirms the commitment to manage risks to an acceptable level. *See Strategic Risk and Appetite Dashboard annexures for details.*

5.3 Risk Movement Dashboard

A quarter on quarter residual risk rating movement is illustrated below:

Figure 4

| Key: Improved = ↑ : Regressed = ↓: No Change = ↔ | | Residual rating | Q1 progress | Q2 progress |
|--|--|-----------------|-------------|-------------|
| Risk Name | | 01/04 | 30/06 | 30/09 |
| 1. | Inadequate availability and accessibility of channels | High | ↔ | ↔ |
| 2. | Inadequate ICT infrastructure | High | ↔ | ↔ |
| 3. | Lack of Stability of IT systems (CIPC, Partners and 3rd party providers) | High | ↔ | ↔ |
| 4. | Inability to effectively manage stakeholder relations and expectations | High | ↔ | ↔ |
| 5. | Inadequate information & cyber-security | Extreme | ↔ | ↔ |
| 6. | Inadequate data integrity | High | ↔ | ↔ |
| 7. | Ineffective governance and oversight over finance and supply chain management | Medium | ↔ | ↔ |
| 8. | Financial sustainability | Medium | ↔ | ↔ |
| 9. | Lack of optimal and professional organisational culture | High | ↔ | ↔ |
| 10. | Ineffective people management | Medium | ↔ | ↔ |
| 11. | Inadequate Accessibility of Intellectual Property (IP) services Programme | High | ↔ | ↔ |
| 12. | Ineffective implementation of the substantive search and examination programme | High | ↔ | ↔ |
| 13. | Ineffective and inefficient enforcement | High | ↔ | ↔ |
| 14. | Labour relations and stability thereof | High | ↑ | ↔ |

Residual risk movements are shown in the above table to measure progress quarter over quarter. The ratings remained unchanged from previous to the current quarter. A detailed assessment of the risks will be conducted during the annual strategic risk review scheduled for quarter 3.

5.4 Emerging Risks

This section aims to provide a view of emerging risks identified during the report period. The objective is to look past existing risks to tomorrow's emerging trends and devise strategies around these risks as well as seize available opportunities.

Emerging risks are newly developing risks that cannot yet be fully assessed but that could, in the future, affect the execution of CIPC's strategy.

- **Business interruptions-** (Power outages, water shortages, third party issues, cyber issues, crime and vandalism, supply chain disruptions)- To assess assumptions underlying the CIPC strategy, Exco in its Q1 meeting, resolved to further unpack this risk, its impact and likelihood to the organisation. *During*

quarter 2, several incidents associated with this risk have been occurring, the frequency of which should be of concern. Exco has committed to discuss the risks, its sources and possible mitigations.

6. PROGRESS ON IMPLEMENTATION OF RISK AND FRAUD PLAN

6.1 This section highlights progress made on each of the planned activities for the quarter.

Figure 5

| Activities | Planned | Q1 | Q2 | Comments |
|---|---------|----|----|---|
| 1. Risk Management | | | | |
| 1.1 Risk management plan development and approval. | | | | |
| 1.2 Revision of risk management policy. | ✓ | | | |
| 1.3 Strategic risk register annual review | | | | |
| 1.4 Risk appetite and tolerance statement review | | | | |
| 1.5 Conduct operational & strategic operational root cause analysis | | | | |
| 1.6 Quarterly strategic risks monitoring, review & reporting | ✓ | | | |
| 1.7 Operational risk review for all divisions | ✓ | | | |
| 1.8 Develop a third party risk management framework | ✓ | | | |
| 1.9 Conduct risk management awareness | | | | |
| 1.10 Develop Corporate BCP and testing | ✓ | | | In progress |
| 1.11 Review of BCM Risk register | ✓ | | | Done |
| 2. Fraud Prevention | | | | |
| 2.1 Fraud prevention plan review & approval | | | | |
| 2.2 Fraud Risk Register review | ✓ | | | |
| 2.3 Implementation of the ethics plan in line with the framework | ✓ | | | CIPC wide ethics campaign are underway. |
| 2.4 Fraud data analysis and reporting | ✓ | | | |
| 2.5 Fraud awareness and education | ✓ | | | |
| 2.6 Facilitate the declaration of interest process | ✓ | | | |
| 2.7 Maintain an effective fraud complaints case database | ✓ | | | |
| 2.8 Conduct investigations | ✓ | | | |

| Activities | Planned | Q1 Status | Q2 Status | Comments |
|---|---------|-----------|-----------|----------|
| 2.9 Quarterly reporting on fraud prevention to governance structures. | ✓ | | | |
| 2.10 | | | | |

Key:

Complete In progress Not done Not planned for the period

A total of 14 activities were planned for the period. As at the end of the quarter, 12 had been completed, representing 86% performance. Progress on the activities which are in progress will be included in the next reporting cycle.

7. FRAUD PREVENTION

This section provides information and progress on fraud related complaints and cases. It further outlines channels through which complaints were received and presents a summary of the nature of allegations received during the reporting period.

7.1 Complaints received

Figure 6 **01 Jul – 30 Sep 2022**

| Balance 01/07/22 | Calls logged | Feedback Requests | Resolved | Balance 30/09/22 |
|------------------|--------------|-------------------|----------|------------------|
| 135 | 40 | (7) | (26) | 142 |

7.1.1 The number of cases resolved dropped during the quarter as a result of the two employees in the section taking ill and annual leave for 3 weeks each. However, the cases resolution rate for the quarter increased to 75%. The closing balance The impact of the unavailability of employee is reflected by the lower number of calls received and higher a closing balance. To address this backlog, an analysis of the matters reported will be done and legible cases will be referred to the external service provider for investigation.

7.1.2 The complaints received for the quarter is 49% lower than the total for quarter 1. However, due to the nature and complexity of the cases which were already under investigation at the beginning of the quarter with similar cases received in the quarter under review. The situation was compounded by the unavailability of the responsible staff as outline under 7.1.1 above.

7.1.3 Feedback request have remained steadily on a downward slope for more than a year, which is suggestive of the positive impact of the client engagement and communications strategy implemented by the GRC division.

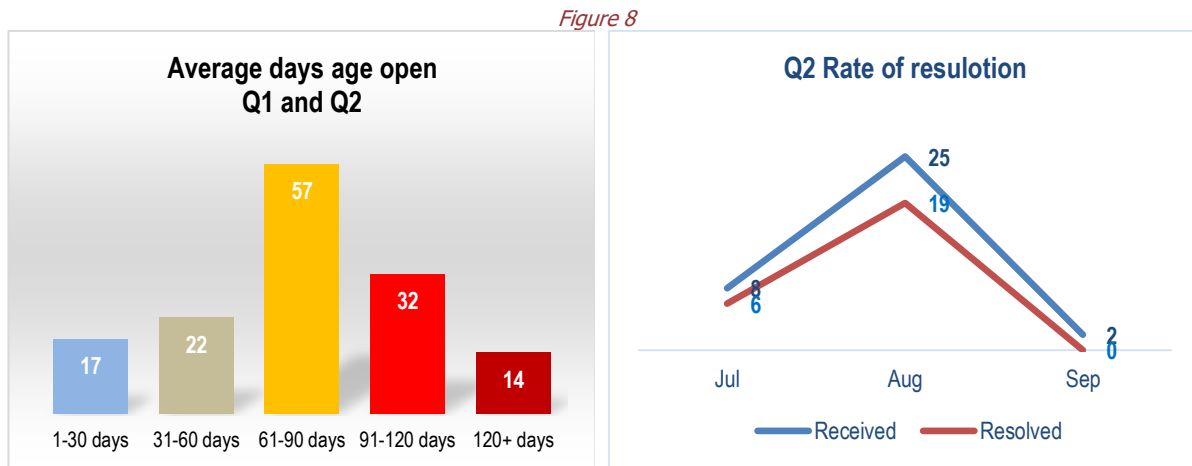
7.2 Status of Open Cases: 30 September 2022

Figure 7

| Total | Under investigation | Pending investigation |
|-------|---------------------|-----------------------|
| 142 | (25) | 117 |

The above table shows the status of complaints which remained unresolved at the end of the review period. Of the 142 outstanding complaints, 25 were under investigations leaving 117 pending investigation at the time of reporting. The total number pending investigation represents the backlog which needs urgent attention if the feedback requests have to be minimised further.

7.3 Age Analysis



7.4 Summary – Reporting Channels

Figure 9

| # | Channel | Received Cases |
|--------------|---------|----------------|
| 1 | Hotline | 29 |
| 2 | Emails | 11 |
| Total | | 40 |

The hotline remains the preferred channel for reporting, presumably because it provides an option for anonymity of whistle-blowers if they so wish.

7.5 Summary - Nature of Cases

Figure 10

| # | Types of cases | Q1 | | Q2 | |
|---|---|--------------|-----|--------------|-----|
| | | No. of Cases | % | No. of cases | % |
| 1 | Fraudulent removal or addition of directors | 08 | 10% | 11 | 28% |
| 2 | Misuse of Clients Accounts | 03 | 4% | 3 | 7% |

| # | Types of cases | Q1 | | Q2 | |
|--------------|--|--------------|-------------|--------------|-------------|
| | | No. of Cases | % | No. of cases | % |
| 3 | Fraudulent use of customer details to register a company | 38 | 49% | 11 | 28% |
| 4 | Implicating CIPC employees | 01 | 1% | 0 | 0% |
| 5 | Other: general category | 21 | 27% | 8 | 20% |
| 6 | Other: Feedback request/ additional information | 07 | 9% | 7 | 17% |
| Total | | 78 | 100% | 40 | 100% |

7.5.1 The table provides the various categories under which the complaints are categorised. In the past, complaints relating to fraudulent direct changes or “company hijacking” have been the main reasons for the complaints. Controls implemented overtime to curtail the loop holes in the CIPC systems seem to be working well. The issue around the usage of the “special function” mechanism to process fraudulent transactions is being addressed by ICT.

7.5.2 On the contrary, an increase in complaints relating to fraudulent use of customer details to register new companies has been recorded during the past 2 quarters. This new trend is associated with the registration of companies by unknown individuals unbeknown to the individual/customer. Most complainants become aware of “their new company” after the fact, usually when damage to their names and reputation has been done. Even though this trend accounts for 28% of all cases in Q2 as compared to the whopping 49% in the past quarter, the figure is still alarming.

8. COMPLIANCE MANAGEMENT

8.1 Legislative Compliance

A separate report is provided.

8.2 Compliance with and Risk Management Policies

No incidents of non-compliance with risk management and related policies were reported for the period.

9. CHALLENGES AND RECOMMENDATIONS

The following remain challenges facing for the GRC Division.

Figure 11

| No. | Challenge | Recommendation |
|------------|---|---|
| 1. | Capacity challenges | <ul style="list-style-type: none"> • Utilisation of external resources • Secondment of resources to the GRC division(1 resources has been seconded to GRC from the IP division |
| 2. | Competency and skills gap within the GRC division | <ul style="list-style-type: none"> • In-house training and rotation of staff • Utilisation of external resources |
| 3. | Inability to anticipate volume of whistle-blowing reports | <ul style="list-style-type: none"> • Implementation of revised strategy • Secondment of resources from other divisions |

10. FOCUS FOR THE NEXT QUARTER

- Finalisation and approval of the Corporate Business Continuity Plan
- Ongoing implementation of risk maturity assessment recommendations
- Conduct ethics awareness campaign
- Strategic risk review
- Risk tolerance and appetite statement review

5. Audit Report

5.1 Progress against Internal Audit Finding Matrix & Progress against AG/External Audit Finding Matrix

AUDIT FINDINGS TRACKING SUMMARY REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2022

1. Purpose of the Report

This report provides a high level summary of progress made with regard to the implementation of corrective actions to address previously reported audit findings. The report covers findings emanating from the audit conducted by the Auditor General (AG) for the 2021/22 financial year as well as findings and observations from internal audits conducted in the 2019/2020, 2020/2021 and 2021/2022 financial years. Details of progress are contained in the respective registers attached to this report.

With regard to the findings from the 2017/2018 and 2018/2019 financial years, EXCO took a decision to close all those findings due to the risks having minimised through and being mitigated by other internal controls.

2. Summary of all Unresolved Internal Audit Findings

Audits assignment Involved = **17**
Total findings at the beginning of Q2 of 2022/2023 = **40**
Total findings resolved/addressed/ Risk accepted = **21**
Total findings in progress/Partially addressed = **11**
Total findings not addressed = **9**

2.1 Auditor General Findings 2021/22

Total findings – 34
Resolved / Risk Accepted– 12
In progress - 22

| Audit Assignment | Q2 2021/2022 opening balance | Addressed and risk accepted | In progress | Not Addressed |
|--------------------------------|-------------------------------------|------------------------------------|--------------------|----------------------|
| AG: Management report findings | 34 | 12 | 22 | 0 |
| % Total | 100% | 35% | 65% | 0% |

2.2 Internal Audit Findings

2.2.3 2019/2020

| | Audit Assignment | Total outstanding findings at beginning of Q2 2022/2023 | Addressed and risk accepted - Total | Partially Addressed | Not Addressed - Total |
|---|-------------------------|--|--|----------------------------|------------------------------|
| 1 | Business Plan 2019/2020 | 1 | 1 | 0 | 0 |
| 2 | Disclosure | 1 | 0 | 0 | 1 |
| 3 | Trade Marks | 1 | 1 | 0 | 0 |
| 4 | Penetration test | 11 | 10 | 1 | 0 |
| | TOTAL | 14 | 12 | 1 | 1 |
| | | | 86% | 7% | 7% |

2.2.4 2020/2021

| | Audit Assignment | Total outstanding Findings at beginning of 2 of 2022/2023 | Addressed and risk accepted - Total | Partially Addressed | Not Addressed - Total |
|---|-------------------------------|--|--|----------------------------|------------------------------|
| 1 | Communications | 2 | 0 | 2 | 0 |
| 2 | Training | 3 | 0 | 2 | 1 |
| 3 | Financial Statement Reporting | 3 | 2 | 1 | 0 |
| 4 | Q2 Performance Information | 1 | 0 | 1 | 0 |
| 5 | Revenue | 1 | 0 | 0 | 1 |
| | TOTAL | 10 | 2 | 6 | 2 |
| | | | 20% | 60% | 20% |

2.2.5 2021/2022

| | Audit Assignment | Total outstanding Findings at beginning of Q2 of 2022/2023 | Addressed and risk accepted - Total | Partially Addressed | Not Addressed - Total |
|---|-------------------------|---|--|----------------------------|------------------------------|
| 1 | OHS Audit | 2 | 2 | 0 | 0 |
| 2 | Recruitment | 2 | 0 | 0 | 2 |
| 3 | IT Infrastructure | 2 | 1 | 1 | 0 |
| 4 | Social media | 3 | 1 | 0 | 2 |
| 5 | Budget follow up | 1 | 0 | 1 | 0 |
| 6 | Expenditure audit | 2 | 1 | 0 | 1 |
| 7 | Telecommuting | 3 | 2 | 0 | 1 |
| 8 | Risk Management | 1 | 0 | 1 | 0 |
| | TOTAL | 16 | 7 | 3 | 6 |
| | | | 44% | 19% | 38% |

5.2 Progress made regarding Combined Assurance Plan

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | | |
|--------|--|------------------|---|------------------------|---|--------|--|---------------|---|----------|----------|----------|----------|----------------------|-----------------|--|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | | |
| CIPC 1 | Reduced regulatory administrative burden | Service delivery | Inadequate availability and accessibility of service channels | 1 | Manual processes in some areas e.g. Co-ops | 4 | 20 | 1 | - Automated business tools (email, website, query resolution system, mobile) - Call centre | 3 | 9 | | | | | <p>Moderate Assurance Relevant divisions to provide reports to governance committees</p> <p>Extensive Assurance An audit on New company registrations (All platforms) is planned for the 2022/2023 financial year.</p> <p>An audit on Business and Company name reservation has been conducted.</p> <p>Moderate Assurance Relevant divisions to provide</p> | <p>A review of the effective implementation of phase 1 of the chatbot project was planned. However, the chatbot project has since been put on hold by the business.</p> <p>Recommendations to be implemented by management. Tracking register to be monitored</p> | |
| | | | | 2 | Lack of awareness of CIPC services, channels and know-how by the customer | | | 2 | - Website - Education and awareness initiatives (e.g. campaigns and workshops) - Marketing collateral (e.g. brochures) - Social media - Partnerships with other role players (e.g. Seda, the dti, WIPO) | | | | | | | | | |
| | | | | 3 | Ineffective quality management | | | 3 | Ongoing quality management initiatives | | | | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|---------|--|---------------|-------------------------------|------------------------|--|--------|--|--|--------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|---|---|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | | | | | | | | reports to governance committees | |
| | | | | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 | Customer / stakeholder dissatisfaction | 5 | 1 | Customer communication, education and awareness initiatives (including media campaign) | 3 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | Education and awareness audit planned for the 2023/24 financial year. |
| | | | | 2 | Reputational harm | | 2 | - Customer survey - Crisis communications - Media monitoring and management | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 3 | Revenue loss (delay) | | 3 | Service delivery channels (physical and digital) | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| CIP C 2 | CIPC competencies and capabilities support a | Technology | Inadequate ICT infrastructure | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | | Likelihood | Rating | | Likelihood | Rating | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | | | |
|-----|---|---------------|-----------------|------------------------|---|--------|--|---------------|---|----------|----------|----------|----------|----------------------|-----------------|---|--|--|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | | | |
| | world class and modern organisational environment | | | 1 | Lack of alignment between business expectation and technology support capacity and infrastructure | 4 | 20 | 1 | ICT strategic plan included in organisational business plan | 3 | 9 | | | | | Mobile Applications audit planned for the 2022/23 financial year. | | | |
| | | | | 2 | Lack of clear identification of business requirements | | | 2 | - BISG high-level processes - Project prioritisation forum - Change control procedures | | | | | | | | | Extensive Assurance AGSA audited ICT governance during the 2021/22 financial year. | Recommendations to be implemented by management. Tracking register to be monitored |
| | | | | 3 | Lack of appropriate testing environment | | | 3 | - Separation between live, testing, production and pre-production environments - Implementation standards | | | | | | | | | IT general controls review planned for the 2022/23 financial year | |
| | | | | 4 | Inappropriate configuration and systems integration (disparate technologies) | | | 4 | - Integration of various business systems through e-channels (digital) - Prioritised application systems rollout strategy and plan | | | | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTORY FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|---|---------------|--------|---|---------------|--------|----------|----------|----------|----------|--|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | implementation | | | | | | | | |
| | | | | 5 dti network separation | | | SLA management with the dti | | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | CONSEQUENCE/S OF THE RISK | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | | | | | | |
| | | | | 1 Impaired service delivery and performance | 5 | | 1 Consequence management (performance) | 3 | | | | | | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management audits underway. Moderation Committee monitors staff performance and makes recommendations. | Measures in place to be continued. |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|------------------------|---|--------|--|---------------|--------|----------|----------|----------|----------|----------------------|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | 2 | Impaired organisational sustainability (continuity) | | | 2 | | | | | | | |
| | | | | 3 | Customer / stakeholder dissatisfaction | | | 3 | | | | | | | |

- Business continuity plan
 - Disaster recovery plan
 - Revised business impact analysis (sub-set of BCP)
 - Approved ICT continuity and recovery standard
 - Approved ICT continuity and recovery plan
 - Database and server restores are tested periodically
 - BCP function to be transferred to CIPC GRC function (ICM to be seconded for 12 months to fulfil this role)

Moderate Assurance
 Relevant divisions to provide reports to governance committees

Moderate Assurance
 Relevant divisions to

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|------------------------|--|--------|--|---|--------|----------|----------|----------|----------|--|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | | | | | | | | governance committees | |
| | | | | 4 | ICT staff skills & capacity constraints | | 4 | - Skills procurement as required - Skills development (needs-based) - Skills transfer included in all technology procurement and SLAs | | | | | | Moderate Assurance Recruitment of ICT staff continuing. EM: BISG continuously monitoring. OD in progress. | OD Steering Committee to monitor. |
| | | | | 5 | Lack of clarity on roles and responsibilities resulting in low staff morale and conflict | | | Resource planning and procurement aligned with business needs | | | | | | Moderate Assurance OD includes job evaluation and job description review. | OD Steering Committee to monitor. |
| | | | | | | | | | | | | | | | |
| | | | | | CONSEQUENCE/S OF THE RISK | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | | | | | |
| | | | | 1 | Impaired service delivery and performance | 5 | 1 | Consequence management (performance) | 3 | | | | | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management | Measures in place to be continued. |
| | | | | | | | | | | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|--|---------------|--------|---|---------------|--------|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | | | | | | | | audit underway. Moderation Committee monitors staff performance and makes recommendations. | |
| | | | | 2 Customer / stakeholder dissatisfaction | | | 2 - Troubleshooting - Customer communication, education and awareness initiatives (including media campaign) | | | ✓ □ | ✓ □ | □ □ | ✓ □ | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 3 Litigation (IP, Trademarks) | | | 3 Legal support | | | ✓ □ | ✓ □ | □ □ | ✓ □ | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 Low staff morale | | | 4 Human resource management and staff engagement | | | ✓ □ | □ □ | □ □ | □ □ | Staff performance audit underway. | |
| | | | | 5 Revenue loss (delay) | | | 5 Service delivery channels (physical and digital) | | | ✓ □ | □ □ | □ □ | □ □ | Credit card payment system audit planned for the 2022/23 financial year. | |

| REF | STRATEGICAL GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | |
|---------|------------------------------|---------------|--|------------------------|--|--------|--|---------------|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|--|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | |
| | | | | 6 | Unreliable data | | | 6 | | | | | | | | | |
| | | | | | | | | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | | | |
| CIP C 4 | Organisational effectiveness | Stakeholder | Inability to effectively manage stakeholder relations and expectations | | | | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| | | | | | | | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| | | | | 1 | Limited customer awareness | 4 | 16 | 1 | Education, awareness, branding and media campaign initiatives | 3 | 9 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Extensive Assurance Stakeholder management audit performed. | Recommendations to be implemented by management. Tracking register to be monitored |
| | | | | 2 | Inadequate stakeholder communications during business and process interruption | | | 2 | Proactive communication of expected process interruptions via website | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 3 | Inefficient customer service (expectations, errors & waiting times) | | | 3 | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Extensive Assurance Call Centre audit performed. | Recommendations to be implemented by management. Tracking register to be monitored | | |

| REF | STRATEGICAL GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|------------------|---------------|-----------------|----------------------------------|--|--------|--|---|--|----------|----------|----------|----------|--|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | 4 | Inadequate dedicated research capacity to support organisational planning and implementation | | | 4 | Adhoc research conducted in the process of developing strategic planning documents | | | | | Limited Assurance The idea of the establishment of a Research Unit is being discussed within CIPC. | Action to continue. |
| | | | | 5 | Lack of a dedicated unit/ lead for stakeholder management | | | 5 | Signed MOU and SLAs with various stakeholders | | | | | Extensive Assurance Stakeholder management audit performed. | Recommendations to be implemented by management. Tracking register to be monitored |
| | | | | 6 | Lack of integrated stakeholder management planning | | | 6 | Each business unit manages own stakeholders on an Adhoc basis | | | | | Extensive Assurance Stakeholder management audit performed. | Recommendations to be implemented by management. Tracking register to be monitored |
| | | | | CONSEQUENCE/S OF THE RISK | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | | Impact | | | | | |
| | | | | 1 | Customer / stakeholder dissatisfaction | 4 | | 1 | Crisis communications | 3 | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 2 | Revenue loss (delay) | | | 2 | Financial monitoring and reporting | | | | | Moderate Assurance Quarterly financial reporting by the Finance | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | |
|--------|--|--|---|------------------------|--|--------|--|--|--------|----------|----------|----------|---|---|-----------------|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | |
| | | | | | | | | | | | | | | Unit takes place. | | |
| | | | | 3 Reputational harm | | | 3 - Crisis communications - Media monitoring and management | | | ✓ □ | ✓ □ | □ □ | ✓ □ | Moderate Assurance Relevant divisions to provide reports to governance committees | | |
| CIPC 5 | CIPC competencies and capabilities support a world class and modern organisational environment | Technology | Inadequate information & cyber-security | | | | | | | □ □ | □ □ | □ □ | □ □ | | | |
| | | | | | | | | | | | □ □ | □ □ | □ □ | □ □ | | |
| | | | | 1 | Unauthorised access to systems | 4 | 20 | 1 - Security, network and infrastructure policies and procedures - Information security management system (policies and procedures) - Data disclosure strategy | 2 | 10 | | | | | | Cybersecurity review planned for the 2022/23 financial year. |
| | 2 | Inability to prevent, detect and respond to security threats | | | 2 - ICT continuity strategy - Review and continuous improvement of physical and logical access protocols - Vulnerability | | | ✓ □ | □ □ | □ □ | □ □ | | ICT change management process planned for the 2022/23 financial year. | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|---------------------------|---------------|--------|--|---------------|--------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|---|---|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | assessments - Data back-ups - Periodic penetration testing - Conduct social engineering test/ audit - Cyber-security solution (McAfee) | | | | | | | | |
| | | | | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | CONSEQUENCE/S OF THE RISK | | | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 Data breach | 5 | 1 | - Security, network and infrastructure policies and procedures - Information security management system (policies and procedures) - Data disclosure strategy | 5 | | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Vulnerability assessment to be conducted during the 2022/23 financial year using an external service provider through the Internal Audit division | AGSA has been requested to provide input into the requirements of the vulnerability |
| | | | | 2 Reputational harm | | 2 | - Crisis communications - Media monitoring and management - Troubleshooting (ICT) | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | |
|---------|--|------------------------|---------------------------|------------------------|--|---------------|--|---------------|---|------------|----------|----------|---|---|-----------------|--|----------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | |
| | | | | 3 | Litigation (IP, Trademarks) | | | 3 | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | | | |
| CIP C 6 | CIPC data and networks shared with third parties | Information management | Inadequate data integrity | CONTRIBUTOR Y FACTOR/S | | INHERENT RISK | | RESIDUAL RISK | | | | | | | | | |
| | | | | | | Likelihood | Rating | | | Likelihood | Rating | | | | | | |
| | | | | 1 | Inaccurate data capture at source | 4 | 20 | 1 | - Data policies, processes, procedures and conventions - Data validation techniques - Third party verification system - Automated integrity checks | 3 | 9 | | | | | Moderate Assurance Performance Information verifications conducted every quarter. ICT to provide reports on data cleansing project as well as automation. | Actions to continue. |
| 2 | Malicious system/ data alteration | | | 2 | - Access to the source code of our systems - Security, network and infrastructure policies and procedures - Information security management system (policies and procedures) | | | | | | | | Vulnerability assessment to be conducted during the 2022/23 financial year using an external service provider through the Internal Audit division | AGSA has been requested to provide input into the requirements of the vulnerability | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTORY FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|----------------------------------|--|--------|---|---|--------|----------|----------|----------|----------|---|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | - Data disclosure strategy | | | | | | | | |
| | | | | 3 | Incompleteness of information due to transfer and integration of data from various databases (migration) | | 3 | Improvement of data accuracy and integrity through implementation of business rules in applications | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 | Inefficient data retrieval (per request) | | 4 | - Digitisation of records - Automation of dematerialised data and records | | | | | | Disaster recovery audit planned for the 2022/23 financial year. | |
| | | | | CONSEQUENCE/S OF THE RISK | | Impact | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | | | | | | |
| | | | | 1 | Impaired service delivery and performance | 5 | 1 | Consequence management (performance) | 3 | | | | | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management audit underway. Moderation | Measures in place to be continued. |
| | | | | | | | | | | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|---------|------------------------------|----------------------|---|------------------------|-----------------------------|--------|---|---------------|--|----------|---------------|----------|----------|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| CIP C 7 | Organisational effectiveness | Financial governance | Ineffective governance and oversight over finance | | | | | | | | | | | Committee monitors staff performance and makes recommendations. | |
| | | | | 2 | Reputational harm | 2 | - Crisis communications - Media monitoring and management - Troubleshooting (ICT) | | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 3 | Litigation (IP, Trademarks) | 3 | Legal support | | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 | Adverse audit outcome | 4 | Stakeholder management | | | | | | | Extensive Assurance Stakeholder management audit performed. | Recommendations to be implemented by management. Tracking register to be monitored |
| | | | | | CONTRIBUTOR Y FACTOR/S | | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | | RESIDUAL RISK | | | | |
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTORY FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | | |
|-----|----------------|---------------|-----------------------------|-----------------------|---|--------|--|---------------|--------|---|----------|----------|----------|---|-----------------|--|---|---|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | | |
| | | | and supply chain management | 1 | Ineffective supply chain management policies and procedures | 4 | 20 | 1 | 9 | | | | | SCM audit planned for the 2022/23 financial year. | | | | |
| | | | | 2 | Ineffective procurement planning | | | 2 | | - Integration of planning and budgeting processes - Signed-off divisional procurement plans as part of the annual budget process | | | | | | | Moderate Assurance Relevant division to provide reports to governance committees. | |
| | | | | 3 | Poor contract management | | | 3 | | - Contract management process - SCM reporting requirements (supplier performance) | | | | | | | | Moderate Assurance Relevant division to provide reports to governance committees. |
| | | | | 4 | Inadequate reporting | | | 4 | | Quarterly SCM & Financial reporting to EXCO and Risk and Audit Committees | | | | | | | Moderate Assurance Quarterly financial reporting by the Finance Unit takes place. | |

| REF | STRATEGICAL GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | |
|-----|------------------|---------------|-----------------|------------------------|--|--------|--|--|--------|----------|----------|----------|----------|---|----------------------|--|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | |
| | | | | 5 | Fraud, waste and abuse | | | 5 | | | | | | Extensive Assurance SCM audits are performed annually by both Internal and External audit. Irregular expenditure report presented to Audit Committee on a quarterly basis. Fraud hotline operational and fraud investigations taking place. | Actions to continue. | | |
| | | | | 6 | Misalignment of current policies, processes and practices (including manual process overrides) | | | 6 | | | | | | | | An audit on compliance with laws and regulation is currently underway. | |
| | | | | | CONSEQUENCE/S OF THE RISK | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | | | | | | | |
| | | | | | | | | | | ✓ □ | ✓ □ | ✓ □ | ✓ □ | | | | |
| | | | | | | | | | | ✓ □ | □□ | □□ | □□ | | | | |
| | | | | | | | | | | □□ | □□ | □□ | □□ | | | | |
| | | | | | | | | | | □□ | □□ | □□ | □□ | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | |
|---------|------------------------------|----------------------|--------------------------|------------------------|--|--------|--|--|--------------------------------------|---|----------|----------|----------|----------------------|-----------------|---|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | |
| | | | | 1 | Impaired service delivery and performance | 5 | | 1 | Consequence management (performance) | 3 | | | | | | <u>Extensive Assurance</u> Performance information verification takes place quarterly by Internal Audit. Staff performance management audit underway. Moderation Committee monitors staff performance and makes recommendations. | Measures in place to be continued. |
| | | | | 2 | Financial resource wastage/abuse or losses | 2 | | - Finance policies - Anti-fraud policy - Investigations and recovery process | 3 | <u>Extensive Assurance</u> Compliance with Finance policies is assessed continuously during Internal and External audits. Fraud investigations take place regularly based on reported incidents. | | | | | | | |
| CIP C 8 | Organisational effectiveness | Financial governance | Financial sustainability | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | | | | | | | | |
| | | | | | Likelihood | Rating | Likelihood | Rating | | | | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | |
|---------|------------------------------|--------------------|---|---------------------------|---|---------------|--|--|--|---------------|----------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | |
| | | | | 1 | Higher relative cost-increase to revenue | 4 | 20 | 1 | - Cost-containment measures - Approved fee structure - Budget process - Budget monitoring | 3 | 12 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Extensive Assurance Expenditure audited by AGSA during 2021/22 financial year. |
| | | | | 2 | Diminished reserves | | | 2 | Quarterly SCM & Financial reporting to EXCO and Risk and Audit Committees | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | |
| | | | | CONSEQUENCE/S OF THE RISK | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | | Impact | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| | | | | 1 | Impaired organisational sustainability (continuity) | 5 | | 1 | CIPC Vision 2030 | 4 | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Asset management audit planned for the 2022/23 financial year. |
| | | | | CONSEQUENCE/S OF THE RISK | | | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| CIP C 9 | Organisational effectiveness | Culture and people | Lack of optimal and professional organisational culture | CONTRIBUTOR Y FACTOR/S | | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | | RESIDUAL RISK | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| | | | | 1 | Ineffective and inconsistent implementation of performance management | 4 | 16 | 1 | Performance management system | 3 | 12 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Staff performance audit underway. |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | |
|-----|----------------|---------------|-----------------|----------------------------------|---|--------|--|---------------|---|----------|----------|----------|----------|--|---|---|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | |
| | | | | 2 | Ineffective leadership and output-based management | | High | 2 | None suggested | | | | | Governance audit planned for the 2022/23 financial year. | | |
| | | | | 3 | Ineffective knowledge management and sharing | | | 3 | Policies and procedures | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 | Inadequate communication and clarity of strategy, role-functions and expectations of leadership | | | 4 | Strategic plan | | | | | Moderate Assurance There is a strategic planning process which includes publication of the strategy. | | |
| | | | | 5 | Living the values | | | 5 | Values defined | | | | | | | Moderate Assurance CIPC values have been defined. |
| | | | | CONSEQUENCE/S OF THE RISK | | Impact | | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | | Impact | | | | | |
| | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | |
|----------|------------------------------|--------------------|-------------------------------|---|--|--------|--|--|--------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | |
| | | | | 1 Impaired service delivery and performance | 4 | | 1 Consequence management (performance) | 4 | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management audit underway. Moderation Committee monitors staff performance and makes recommendations. | Measures in place to be continued. | |
| CIP C 10 | Organisational effectiveness | Culture and people | Ineffective people management | | | | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| | | | | | | | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| | | | | 1 | Lack of specialised skills in certain critical functions | 4 | 12 | 1 [Moratorium in place] - Recruitment policy | 3 | 9 | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 2 | Outdated job descriptions | | | 2 None suggested | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | | |
| | | | | 3 | Outdated organisational structure | | | 3 None suggested | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 4 Labour issues | | | 4 - HR Policies - Employee engagement | | | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Labour Relations audit | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|------------------------|---|--------|--|--|--------|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | | | | | | | | currently underway. | |
| | | | | 5 | Ineffective management of impact of automation drive on skills and performance of staff | | 5 | None suggested | | | | | | | |
| | | | | 6 | Ineffective staff development | | 6 | - Bursary programme - Short courses - Internal training - Personal development plans | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 7 | Non-conducive physical work environment (office layout and design) | | 7 | None suggested | | | | | | Facilities audit planned for the 2022/23 financial year. | |
| | | | | 8 | Skills mismatch (skills not placed in correct functions) | | 8 | None suggested | | | | | | | |
| | | | | 9 | Health, safety and security | | 9 | - Health and safety policy - Compliance certificate - Health and safety inspections - Security provided by landlord | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|----------|--|------------------|---|---|---------------|--------|--|---------------|--------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | CONSEQUENCE/S OF THE RISK | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 Reputational harm | 3 | | 1 - Crisis communications - Media monitoring and management | 3 | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 2 Low staff morale | | | 2 HR Policies | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance HR policies are in place. | |
| | | | | 3 Loss of critical skills | | | 3 HR Policies | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance HR policies are in place. | |
| | | | | 4 Harm to persons | | | 4 Liability insurance | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| CIP C 11 | A reputable business and IP protection environment | Service delivery | Inadequate accessibility of Intellectual Property (IP) services | CONTRIBUTOR Y FACTOR/S | | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 Inadequate capacity (e.g. skills, HR and tools) within CIPC to assist and reach | 4 | 20 | 1 - Partnerships with other role players (e.g. Seda, the dti, EPO, WIPO) - Training and | 3 | 15 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Extensive Assurance Stakeholder management audit performed. | Recommendations to be implemented by management. Tracking register to be monitored |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|---|---------------|--------|---|---------------|--------|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | potential IP customers | | | awareness (to build internal skills) | | | | | | | | |
| | | | | 2 High-cost (legal) of patent protection | | | 2 - Inventors assistance programme - WIPO partnership | | | ✓ □ | □□ | □□ | □□ | Inventory assistance programme audit underway. | |
| | | | | 3 Lack of awareness (including relevant segmentation) | | | 3 - Website - Education and awareness initiatives (e.g. campaigns and workshops) - Marketing collateral (e.g. brochures) - Social media - Partnerships with other role players (e.g. Seda, the dti, WIPO) | | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 Current programmes support only sophisticated business (no focus on programmes to integrate small business participation in IP) | | | 4 - International engagements to shape and direct the IP space - Train the trainer programme with WIPO and Department | | | ✓ □ | ✓ □ | □□ | ✓ □ | Inventory assistance programme audit underway. | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTORY FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|-----------------------|---|--------|---|---------------|--------|----------|----------|----------|----------|---|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | of Small Business Development - Inventors assistance programme (IAP) | | | | | | | | |
| | | | | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | | | | | | |
| | | | | | | | | | | | | | | | |
| | | | | 1 | Reputational harm | 5 | 1 - Customer survey - Crisis communications - Media monitoring and management | 5 | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 2 | Impaired service delivery and performance | | 2 Consequence management (performance) | | | | | | | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management audit underway. Moderation Committee monitors staff performance and makes recommendations. | Measures in place to be continued. |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|---------|--|----------------------|--|--|----------------------|---------------|--|--|--------------------------|-------------------------------------|---|--------------------------|-------------------------------------|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | 3 Customer / stakeholder dissatisfaction | | | 3 Customer communication, education and awareness initiatives (including media campaign) | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| CIPC 12 | A reputable business and IP protection environment | Financial governance | Ineffective implementation of the substantive search and examination programme | CONTRIBUTOR FACTOR/S | | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | | RESIDUAL RISK | | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | Likelihood | Rating | Likelihood | Rating | Likelihood | Rating | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 | Capacity constraints | 4 | 12 | 1 - SSE training and competency testing programme - European Patent Office oversight on the quality of work produced by examiners - MOU between CIPC and European Patents Office | 3 | 9 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Substantive Search and Examination audit planned for the 2022/23 financial year. |
| 2 | Inadequate ICT system | | | 2 - IPAS (intellectual property administration system) approved for implementation - EpoqueNet system for | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | | | | |

| REF | STRATEGICAL GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|------------------|---------------|-----------------|---|---------------|--------|--|---------------|--------|----------------------------|----------------------------|----------------------------|----------------------------|---|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | patent searches | | | | | | | | |
| | | | | 3 Lack of enabling HR policies to enable the CIPC to retain examiners | | | 3 Signed MOU between CIPC and WIPO | | | | | | | Substantive Search and Examination audit planned for the 2022/23 financial year. | |
| | | | | | | | | | | ✓ <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 Impaired service delivery and performance | 3 | | 1 Consequence management (performance) | 3 | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management audit underway. Moderation Committee monitors staff performance and makes recommendations. | Measures in place to be continued. |
| | | | | 2 Reputational harm | | | 2 - Customer survey - Crisis communications | | | ✓ <input type="checkbox"/> | ✓ <input type="checkbox"/> | ✓ <input type="checkbox"/> | ✓ <input type="checkbox"/> | Moderate Assurance Relevant divisions to provide | |
| | | | | | | | | | | ✓ <input type="checkbox"/> | ✓ <input type="checkbox"/> | <input type="checkbox"/> | ✓ <input type="checkbox"/> | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|----------|--|------------------|--|------------------------|---|--------|--|--|---|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | | | | | | | | | |
| | | | | 3 | Customer / stakeholder dissatisfaction | | 3 | Customer communication, education and awareness initiatives (including media campaign) | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 | Litigation (IP, Trademarks) | | 4 | Legal support | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | | | | | | ✓ □ | ✓ □ | □ □ | ✓ □ | | | |
| | | | | | | | | | □ □ | □ □ | □ □ | □ □ | | | |
| CIP C 13 | A reputable business and IP protection environment | Service delivery | Ineffective and inefficient regulatory oversight | 1 | Lack of integration of the end to end enforcement process with key stakeholders | 4 | 20 | 1 | Integration with law enforcement agencies | 3 | 12 | | | Memorandum of Incorporation (MOI) amendments – COR 15.2 audit planned for the 2022/23 financial year. | |
| | | | | 2 | Incorrect utilisation of enforcement capacity | | | 2 | - Education and awareness on enforcement to various | | | | | Moderate Assurance Relevant divisions to provide reports to | |
| | | | | | | | | | ✓ □ | ✓ □ | □ □ | ✓ □ | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|------------------------|--|--------|--|---|--------|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | stakeholders (IP) - Law enforcement authorities now conduct raids | | | | | | | governance committees | |
| | | | | 3 | Different interpretation of the Act between CIPC and the Tribunal for cases referred to the Tribunal | | 3 | Legal opinion/support | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 4 | Dependence on other law enforcement agencies | | 4 | Capacitated internal staff with regards to enforcement | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 5 | Lack of understanding of IP related matter by other law enforcement agencies | | 5 | Training of law enforcement agencies in the CIPC enforcement mandate and law-considering the Covid challenge the IP division has engaged the IT division to assist a solution to enable virtual | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |

| REF | STRATEGICAL GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|------------------|---------------|-----------------|----------------------------------|--|--------|---|---|--------|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | training for LE (zero rated data and /or any solution which will enable access) | | | | | | | | |
| | | | | 6 | Current legislation does not provide for proactive enforcement by CIPC (IP space) | | 6 | None suggested | | | | | | | |
| | | | | 7 | Inadequate education and awareness on when and how enforcement is conducted (when does CIPC get involved) especially on IP | | 7 | Capacitated internal staff with regards to enforcement | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 8 | Lack of awareness by customers and potential offenders | | 8 | Education and awareness on enforcement to various stakeholders (IP) | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | CONSEQUENCE/S OF THE RISK | | Impact | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | | | | | | |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | | |
|----------|------------------------------|--------------------|--|------------------------|---|--------|--|---------------|--------|--------------------------------------|----------|----------|----------|---|-----------------|--|---|------------------------------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | | |
| | | | | 1 | Reputational harm | 5 | | 1 | 4 | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | | | | |
| | | | | 2 | Impaired service delivery and performance | | | 2 | | Consequence management (performance) | | | | | | | Extensive Assurance Performance information verification takes place quarterly by Internal Audit. Staff performance management audit underway. Moderation Committee monitors staff performance and makes recommendations. | Measures in place to be continued. |
| | | | | 3 | Litigation | | | 3 | | Legal support | | | | | | | | |
| CIP C 14 | Organisational effectiveness | Culture and people | Labour relations and stability thereof | CONTRIBUTOR Y FACTOR/S | | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | | | | | | | | | | | |
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |

| REF | STRATEGICAL GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTORY FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required | | |
|--------|------------------------------|--------------------|---|---------------------------|---|---------------|--|--|--|--------------------------|--------------------------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|---|--|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | | | |
| | | | | 1 | Co-management | 4 | 20 | 1 | - Bargaining forums - Employee engagement | 3 | 9 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Labour relations audit currently underway. | |
| | | | | CONSEQUENCE/S OF THE RISK | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | | Impact | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| | | | | 1 | Impaired service delivery and performance | 5 | | 1 | Consequence management (performance) | 3 | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | | | | | | | | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | |
| CIP 15 | Organisational effectiveness | Culture and people | Occupational health, safety & business continuity threats | CONTRIBUTORY FACTOR/S | | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | |
| | | | | Likelihood | Rating | Likelihood | Rating | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | | |
| | | | | 1 | COVID-19 pandemic health and safety risks | 5 | 25 | 1 | - Alignment with national COVID-19 regulations - Committee for COVID-19 management and response - Dedicated Resource to ensure implementation of COVID-19 regulation and other | 4 | 16 | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|--|---------------|--------|---|---------------|--------|-------------------------------------|-------------------------------------|---|-------------------------------------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | related matters | | | | | | | | |
| | | | | 2 Inadequate responsiveness of facilities and business processes to cater for COVID-19 threats | | | 2 - Organisation al health and safety policy - Telecommuting policy - Wellness initiatives - No more than 50% staff permitted in the office and by default, staff should work from home - Staff screening upon arrival at premises - Separation of working areas to prevent spread of infection (if any) between teams | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | 3 Inadequate business continuity planning and execution thereof | | | 3 Business continuity plan | | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> | <input checked="" type="checkbox"/> | Moderate Assurance Relevant divisions to provide reports to | |

| REF | STRATEGIC GOAL | RISK CATEGORY | RISK DEFINITION | CONTRIBUTOR Y FACTOR/S | INHERENT RISK | | EXISTING CONTROLS (TO REDUCE LIKELIHOOD OF RISK) | RESIDUAL RISK | | 1st Line | 2nd Line | 3rd Line | 4th Line | Assurance Conclusion | Action required |
|-----|----------------|---------------|-----------------|---|---------------|---|--|---------------|--------|----------|----------|----------|----------|---|-----------------|
| | | | | | Likelihood | Rating | | Likelihood | Rating | | | | | | |
| | | | | | | | | | | | | | | governance committees | |
| | | | | 4 Inadequate crisis communications management | | | 4 Ongoing team communications | | | | | | | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | | | | | | | ✓ □ | ✓ □ | □ □ | ✓ □ | | |
| | | | | | Impact | | EXISTING CONTROLS (TO REDUCE IMPACT OF RISK) | Impact | | □ □ | □ □ | □ □ | □ □ | | |
| | | | | 1 Harm to persons | 5 | 1 - Health and safety policy - Employee wellness initiatives - Lockdown and other COVID-19 regulations and guidelines | 4 | | | □ □ | □ □ | □ □ | □ □ | | |
| | | | | 2 Impaired service delivery and performance | | 2 Monitoring and evaluation (including corrective actions thereof) | | | | ✓ □ | ✓ □ | □ □ | ✓ □ | Moderate Assurance Relevant divisions to provide reports to governance committees | |
| | | | | | | | | | | ✓ □ | ✓ □ | □ □ | ✓ □ | | |
| | | | | | | | | | | ✓ □ | □ □ | □ □ | □ □ | | |

6. Financial Report

The report is sent separately.

7. PFMA and TR compliance checklist

SECOND QUARTER COMPLIANCE CALENDAR

| JULY 2022 | | | Status | Responsible |
|--------------|---|--|----------------------|------------------------------|
| 22 July 2022 | <ul style="list-style-type: none"> Shareholder's requirement | Submit monthly expenditure and income statements with projections for the remaining months, explanations for material variances as well as possible remedies to be applied to ensure that expenditure and income are in line with the approved budget | Done Quarterly | Finance |
| 29 July 2022 | <ul style="list-style-type: none"> TR 26.1.1, 26.1.2, 29.1.3, 29.3.1, 30.2.1 & 30.4.2 Shareholder's requirement | Submission of the 2022/23 first quarter report signed by the Accounting Authorities. The report should be aligned to the Annual Performance Plan (APP). The quarter report should include progress report on matters raised by the AGSA and entity's Internal Audit as an annexure to the report. | Done | Strategy and Planning |
| 29 July 2022 | <ul style="list-style-type: none"> TR 29.1.3 | Schedule 3B entities to submit quarterly reports on borrowing programme to National Treasury on actual borrowing for quarter and update on borrowing plan | Not applicable to us | Finance |

SECOND QUARTER COMPLIANCE CALENDAR

| <i>JULY 2022</i> | | | Status | Responsible |
|------------------------|---|--|------------------------------------|--------------------------------|
| <i>29 July 2022</i> | <ul style="list-style-type: none"> Shareholder's requirement | Submit a copy of the audited annual financial statements including the audit committee report | Done | Finance |
| <i>AUGUST 2022</i> | | | | |
| <i>To be confirmed</i> | <ul style="list-style-type: none"> PFMA 65 (1) | Submit 80 copies and one (1) copy of the CD of the final Annual Reports to the Parliamentary Officer, 120 Plein Street, 6th floor, Cape Town, 10 copies to the Public Entity Oversight (PEO) and 10 copies to the National Treasury | TABLING IS DONE BIRTUALLY. DONE | Strategy & Planning |
| <i>31 August 2022</i> | <ul style="list-style-type: none"> Shareholder's requirement | Submit monthly expenditure and income statements with projections for the remaining months, explanations for material variances as well as possible remedies to be applied to ensure that expenditure and income are in line with the approved budget | Done Quarterly Q1 Submitted | Finance |
| <i>26 August 2022</i> | <ul style="list-style-type: none"> Shareholder's requirement | Submit copies of management letter received from the AGSA or independent auditors as well as the audit report for the last financial year | Done | Finance |

SECOND QUARTER COMPLIANCE CALENDAR

| JULY 2022 | | Status | Responsible | |
|--------------------------|--|--|---|--------------------------------|
| <i>26 August 2022</i> | <ul style="list-style-type: none"> Framework for Strategic Plans and Annual Performance Plans | 3A public entities submit first draft of the Annual Performance Plans to the National Treasury, Department of Performance Monitoring and Evaluation (DPME) and the Minister via the PEO | NO LONGER APPLICABLE AS PER THE REVISED FRAMEWORK | Strategy & Planning |
| <i>SEPTEMBER 2022</i> | | | | |
| <i>23 September 2022</i> | <ul style="list-style-type: none"> Shareholder's requirement | Submit monthly expenditure and income statements with projections for the remaining months, explanations for material variances as well as possible remedies to be applied to ensure that expenditure and income are in line with the approved budget | Done Quarterly Q1 Submitted, Q2 in progress | Finance |
| <i>30 September 2022</i> | <ul style="list-style-type: none"> Shareholder's requirement | Executive Authority submit first draft shareholder's compact for Accounting Authorities consideration | | OCOM |
| <i>30 September 2022</i> | <ul style="list-style-type: none"> PFMA 53.(1) | Submit a budget of estimated revenue and expenditure for the 2022/2023 financial year | Done. | Finance |

8. Copyright and Enforcement Report

Quarter 1

Strategic Direction: To combat trade mark counterfeiting and copyright piracy

Crucial activities included relooking at the future of the CIPC's enforcement structures tools and offerings. CIPC is one of the main players that ensure proper alignment of strategic direction throughout IP enforcement agencies.

Training sessions are provided at the request of partners as well as proactive. Proactive sessions are usually hosted to highlight identified trends and priority areas, such as the creative sector and pharma crime. These sessions mainly target the judiciary, law enforcement, and custom officials. CIPC has been involved in training for countries in Africa, including SADC, SACU and other West African countries during this quarter.

Operational activities increased during the weeks after the training and operations took place in Gauteng. One of the highlights of the quarter was the search and seizure operations that were done to celebrate World Anti-Counterfeiting Day, 10 June.



Market Conduct Enforcement Operations



A significant portion of counterfeit goods circulating in South Africa is imported from China and other foreign countries. Although South African Customs and Border Police are effective at detecting and detaining containers and small consignments of counterfeit goods at the various ports of entries, some do filter through undetected. An important element in initiating and maintaining an effective enforcement

prospects of detention.

programme is to provide training to all Law Enforcement partners to create awareness within the enforcement community. It is imperative that brand holders participate in as many training events as possible to increase the

Capacity Building and Training

From the 9th to the 13th of May, CIPC in collaboration with the USPTO and the U.S. Department of Justice hosted a training workshop on investigating and prosecuting IP crime. The program was extended from our usual three days to a five-day full week training workshop. This allowed time to include additional international speakers in the program. Experts from the USA joined local participants and networking opportunities were plentiful. Delegates included the strategic decisions makers and operational officials from the South African Police Service, the South African Revenue Service, and the National Prosecuting Authority, as well as industry associations. Three inspectors of SAPHRA also participated. The focus of the training was counterfeit pharma and counterfeit automotive spare parts. 17 Local participants were trained and received certificates. 14 International counterparts that represented the USA, Botswana, Lesotho and Eswatini also partook.



Delegates at the 2022 Regional IPR Investigative Methods Workshop



Groups discussed a Desktop Case Study



Panel



The resource persons and organizing team

discussion on strategic approach to fight IPR crime in South Africa



Delegate receiving certificate

The attendees

In June Regional Workgroup Meeting, in Dakar Senegal. The English had attendees coming from 16 African countries including Botswana and Namibia. The focus was again on public health issues and the sale of counterfeit medicine in Africa. We presented South Africa's strategic approach and collaboration efforts. There was also a lot of interest in the work we are doing on sustainability and upcycling of counterfeit goods. As new opportunities are opened up by globalisation and the power of the internet, it is increasingly important for businesses of all sizes to understand the full range of tools at their disposal to protect themselves against IP crime. Many of the topics dealt

13 to 17, CIPC participated in an Africa physical meeting that was hosted in French and

with internet enforcement. Counterfeiting is, unfortunately, on the increase and the international criminal gangs who profit from this trade respect neither borders nor legality.

Counterfeiters are always ready to prey on the vulnerable and take advantage of any lack of coordination. South Africa plays an important role in the IPR enforcement space to ensure coordination on the African Continent. Such close cooperation and collaboration especially in the training and capacity building space speak to the objectives of AfCFTA.



Education and Awareness

The harm caused by IP crime hits company profits, tax revenues and endangers the public as has been shown so graphically by the rise in fake medicines and personal protective equipment means that enforcement preferably with IP crime against international crime, must attack the

in the wake of the Covid-19 pandemic. This authorities working together effectively, returning to become a priority in the fight problem.

The crucial role of the CIPC to create manifested in four education and included celebrating the following events:

World IP Day on 26 April as part of a part of the

SADC Virtual IP Office conference on 17 May, facilitating an

Panel Discussion re: East African Regional Border Cooperation and Intelligence Sharing Led Raphael Baranyandema, Burundi with Burundi, Kenya, Uganda

awareness on the harms of counterfeiting awareness events hosted in Q1. These

collaboration project with the DUT, being

IP Day targeting the youth to build on their innovative ideas on 25 May, and hosting

The first of six sessions aimed to bring IP to entrepreneurial students in partnership with UNISA, on 21 June.

The reach of these sessions exceeded our expectations and physical attendees were recorded as more than 600. The theme of World Intellectual Property Day this year was "IP and Youth: Innovating for a Better Future." In the spirit of contributing to intellectual property (IP) literacy, we presented and shared information on fundamental aspects of different types of intellectual property rights and protections: patents, trade marks, copyright, industrial design and trade secrets. We also thoroughly covered respect for IP during these sessions.

How IP Can Empower You in Innovation & Creativity

Empowering Entrepreneurship

Protecting Your Brand – How IP Benefits You

Hybrid Event: Limited In-Person Space & Virtual Options

To Register: <https://forms.gle/B4jnBtoScMBr8Re7>

HOSTED BY INNOVATE DURBAN

Innovation Co-Lab
Cato Manor,
Umbumbane
Entrepreneurial Centre
240 Henry Goniwe Road,
Woolmead, Durban

IN PARTNERSHIP WITH:

WEDNESDAY, MAY 25TH 9:00 - 14:00 SAST

DRAFT PROGRAMME WORLD INTELLECTUAL PROPERTY DAY

26 APRIL 2022 09:00 - 14:00 BOTANIC GARDENS

| TIME | TITLE | RESPONSIBLE |
|---------------|--|--|
| 09:00 - 09:05 | Arrival & Registration | All |
| 09:05 - 09:05 | Welcome Remarks | Business Support, Tourism, Markets and Agri Business Unit |
| 09:05 - 09:10 | Message of Support | Ms. Sandy Singh, Director Intellectual Property & Commercialisation, UCT |
| 09:10 - 09:20 | IPQI Call | IPQI and Health Plans |
| 09:20 - 09:25 | Introduction of Topic & Panel | W. Z. Ngweni |
| 09:25 - 09:30 | Panel Discussion: Theme "IP & Youth: Innovating for a Better Future" | |
| 09:30 - 09:35 | Notes of IP & E's commercialisation for your business & how to get the best value for it | Amanda Luthemagen, Senior Manager Copyright and IP Enforcement |
| 09:35 - 09:40 | Intellectual Property and the Impact on Youth | Ms. Laila Pillay, Advisor & Advisor |
| 10:00 - 10:05 | Business IP | Ms. Thembisa Mkhize, Deputy Director, IP Advisory, NPM&D |
| 10:05 - 10:10 | Innovation and IP - Protecting what matters | Ms. Doreen Mkhize, Advisor |
| 10:10 - 10:15 | SMME's Success Stories from young innovators | Ms. Stephen Zulu, Author, "Sedona" - Intellectual Property |
| 10:15 - 10:20 | Realising your idea: essential factors everyone should understand about one step of a firm | IPQI - success Stories Rb Swamps Clifton |
| 11:00 - 11:05 | Introduction of Copyright in Writing | All |
| 11:05 - 11:10 | Copyright & Business Success | All |
| 11:10 - 11:15 | BOOK REVIEW | |
| 11:15 - 11:20 | Startup, Tech, Copyright & Start | Ms. Linda Lindani |
| 11:20 - 11:25 | Introduction of Case Study | Ms. Doreen Mkhize, Advisor |
| 11:25 - 11:30 | Business Case writing and Case Studies | Ms. Doreen Mkhize, Advisor |
| 12:00 - 12:05 | Break out session | Participants |
| 12:05 - 12:10 | Competition Presentations | Arshad Patel |
| 12:10 - 12:15 | Photo Session | Arshad Patel |
| 12:15 - 12:20 | Closing Remarks | Prof. Sita Mooki, Deputy Vice-Chancellor, WU, DUT |

EXHIBITOR VIEWING, NETWORKING & LUNCH

FOLLOW US ON SOCIAL MEDIA FOR MORE DETAILS

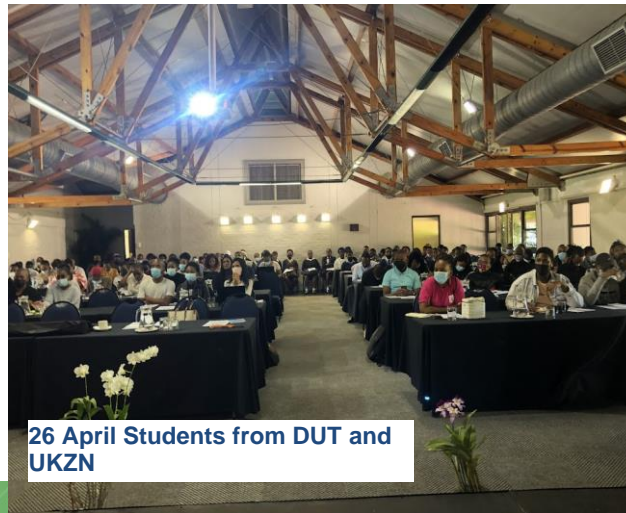
DUT **INNOVATE DURBAN** **sedo** **DURBAN OFFICE**

World IP day celebration on 26 April KZN

IP for the Youth celebrated on 25 May



26 April World IP Day DUT and UKZN Partners



26 April Students from DUT and UKZN



SADC 17 May

AGILITY OF REGISTRIES DURING AND AFTER COVID19

- THE NEW WAY OF WORKING
 - USING THE INTERNET TO SUPPORT EFFECTIVE INTELLECTUAL PROPERTY ENFORCEMENT
 - FREEING UP CAPACITY, BOOSTING COLLABORATION AND EXTENDING THE REACH OF EDUCATION AND AWARENESS ACTIVITIES



SADC IP and Corporate Registrars Conference



145 May IP day for the Youth

The virtual and first of its kind

had three sessions on IP enforcement, including one from South Africa, the other two were from Kenya and Namibia. 104 delegates registered for the conference and represented most of the SADC countries. The gender representation was 60% Male and 40% female. We are continuing to target women in IP and business working towards closing the gender gap.

Initiatives to protect Creative Industry IPR

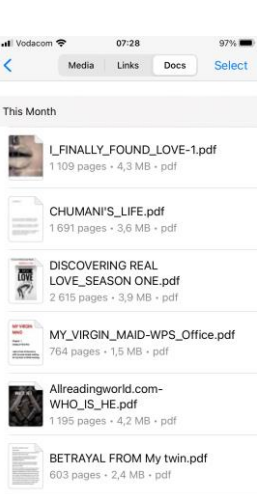
Working closely with rights owners and their agents, CIPC prioritizes initiatives that promote respect for copyright in particular. In this area, we carry out many knowledge-building events and exchanges of best practices for judges and prosecutors. CIPC conducted numerous training and capacity building programs working with local and foreign resource persons, such as law enforcement officials from around the world to improve criminal and civil IPR protection in South Africa and our neighbouring countries.

Educating the youth about the importance of protecting IP through online sessions. Students heard directly from both the creators of intellectual property and the law enforcement officials who protect copyrighted works. Two matters are ongoing, a chat group on WhatsApp that is sharing copies of books and an investigation into persons that made promises to writers and disappeared with their written works.



Panel discussion on IP enforcement

SADC conference was very well received exceptionally well attended. It was the and we hope to build on the success. We



The Group that is sharing full copies of popular fiction

Sustainability and upcycling of Counterfeit Goods

The CIPC has found that disposing of counterfeit goods in an environmentally friendly manner is not only possible but can also generate jobs and possible additional income for Law Enforcement. The Pilot has been extended will run to the end of 2022/2023. A competition targeting university students is envisaged for Q3. Entrepreneurs and interior designs students will be competing on ideas to give counterfeit goods a new life, the project is known as “Maisha Mapya”. A new Life.



Confiscated counterfeit Goods



New bags from counterfeit branded Jeans



Quilt sold at R6000

The Accurate Justifiable Statistics Cell phone Application (AJS)

The App was signed off in Q1 and it is now live. All testing is done and although the App was launched, it was still working in testing mode. Counterparts are now starting to input live data and use the application more and more. Once enough live data is captured, we will be in a position to identify trends and target enforcement operations. AJS is boosting work efficiency, making tasks simpler, and is allowing for smoother organizational operations.

The wins for CIPC as the custodian of the Counterfeit Goods Act, 1997 are:

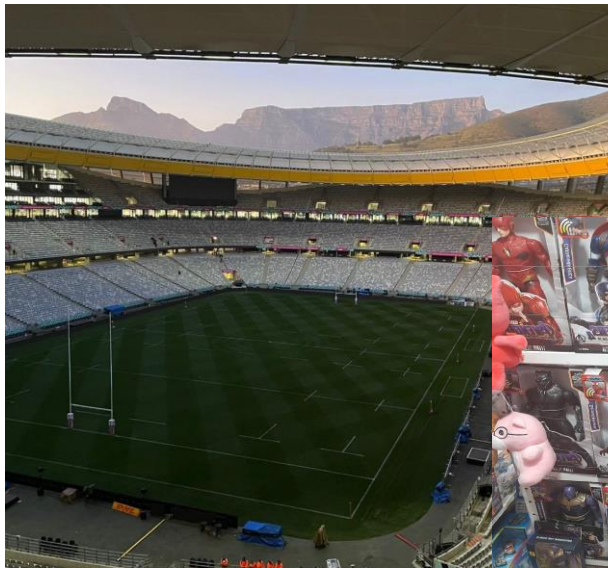
- Proper enforcement practices are in place through continuous training and capacity building initiatives
- All officials have good knowledge and proper understanding of the value of IPR, and that
- Proper records are available to make informed decisions.

CIPC also administer the Counterfeit Goods Depots, and we are now working to expand the functionalities of the App to make the work of Depot managers also easier.

The enforcement of IPR is an International obligation that support, trade, investment and new job opportunities. Having reliable information on work done to protect IPR will greatly assist when bi- lateral agreements are concluded. It is also be fundamental to all investment discussions.

Quarter 2

During Q2 operational activities increased. CIPC also coordinated and provided direction to the Head of the Department Legal and Compliance, of SA Rugby. The Sevens World Cup that was declared a protected event in terms of the Merchandise Marks Act took place from 7 to 11 November in Cape Town. CIPC provided an operational plan and acted as a focal point to channel any counterfeiting threats. CIPC also provided back-up support over the weekend to deal with IPR enquiries. The SAPS, municipal and NCC inspectors were also on standby. The work during the event demonstrated the value of cooperation to achieved effective enforcement.



The Green point stadium before the games

On 30 September, a joint effort initiated by NATJOC resulted in a very successful operation in Pretoria at the Montana family market. CIPC provided a guiding tool that had a dual function, one to direct all parties in regard to procedures to be followed in terms of the Counterfeit Goods Act, 1997 and two to act as a training tool to ensure procedural accuracy as required in terms of the Act. This multi-agency operation



had one of its elements to combat the sale of counterfeit goods. The project was executed by the Visible Policing Section of the SAPS. All documents and intelligence that were gathered were shared with the Directorate for Priority Crime Investigations (DPCI). There are also steps taken to add the property owners for aiding and abetting various crimes. Our focus area of toys and games also delivered results.



Toys and Games confiscated on 30 September

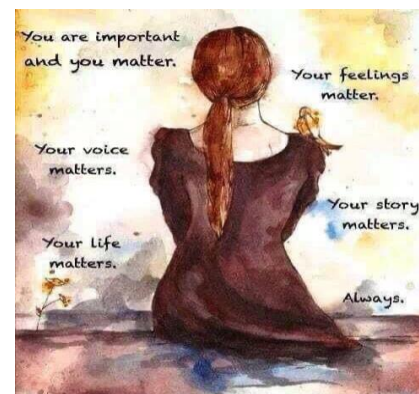
Capacity Building and Training

On 24 August 2022, CIPC hosted an event for Women’s Month 2022. The aim and objective were to promote inclusivity and equity in the IP workspace by building capacity for women entrepreneurs. Expanding on the universal theme of YOU MATTER, CIPC in partnership with the U.S. Consulate General in Durban, and



American Spaces South Africa jointly hosted a very successful event to commemorate Women’s Month. Participants got to share in the than 40 years. Participants got to overarching theme of “IPR Matter”. The outcomes included “Business Strategy to Monetize Intellectual Property”

and American Spaces South Africa jointly



hosted a very successful event to commemorate Women’s Month. Participants got to share in the than 40 years. Participants got to overarching theme of “IPR Matter”. the “Legal sphere to Protect IPR” and

“How to enforce your IPR”. Good statistical information was also gathered through using a registration questionnaire.

127 delegates attended the event that was offered over 90 minutes. The feedback received was excellent and most participants really appreciated the value that the workshop brought. The idea is also to continue with similar topics to promote IPR to women entrepreneurs.

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Geneva, Switzerland, was once again the hub for intellectual property September 2, 2022, when the World Intellectual Property Organization Enforcement (ACE) assembled for its Annual Meeting to discuss current enforcement. Delegates were pleased to resume in-person discussions meetings, and the plenary consisted of well over 200 representatives of conference focused on enforcement initiatives on the administrative, included important topics such as online infringements, the role of technologies, IP infringement—and national programs to address these

CIPC, as an invited delegate attended the meeting in person and the Ms. Lotheringen, of CIPC as Vice Chair. The meeting confirmed her



(IP) enforcement from August 31 to (WIPO's) Advisory Committee on topics and country initiatives on IP after almost three years of virtual WIPO member states. The three-day governmental, and judicial level and online intermediaries, new important issues.

Africa Group nominated appointment.

Raising awareness in forums such as the WIPO ACE plenary is a valuable opportunity for CIPC to share the work South Africa is doing towards better protection of IP rights and to encourage harmonization of enforcement mechanisms and processes.



Education and Awareness

Ensuring dissemination of relevant information on intellectual property rights forms the cornerstones of effective IPR enforcement. During this quarter, five education and awareness sessions were hosted. The aim was to bring the value of IPR to entrepreneurial students in partnership with UNISA, DUT and other tertiary education institutions. Education activities increased due to effective use of online platforms. CIPC formed strategic alliances with the United States Trade Mark and Intellectual Property Office (USPTO) and the International Computer Hacking & Intellectual Property Attorney Advisor (ICHIP) for Internet

Fraud and Public Health. The focus of the work is on Women in IP and Pharma Crime. Capacitating partners for both the public and private sector are a strategic priority.

Focusing on building respect for students, entrepreneurs and SMME's through a basket of IP offerings has also increased the demand for information on the value of IP in the business environment.

Copyright enforcement is a high priority and the best results are currently obtained through education and awareness. A high profile awareness campaign in partnership with the Swiss IP office is underway.

Sustainability and the Green Economy

CIPC is driving a project that focus on sustainability and the green economy. This project is envisaged to repurpose confiscated counterfeit clothing items through an artistic effort. Displaying the results will coincide with a conference planned with the Delegation of the European Union to South Africa, AfriIPI EU IP Africa SME Helpdesk/ IP Awareness that will have a launch event in March 2023 as an awareness raising session for interested SMME's.

9. Joint Indicators Report

| <i>J-KPI</i> | <i>Focus Area</i> | <i>5 year Commitment</i> | <i>Q1 Progress</i> | <i>Q2 Progress</i> |
|-------------------------------|----------------------------|---|---|---|
| <i>Delivery/Capable State</i> | <i>Entity Staffing</i> | Organisation Design and New Structure | OD in its final stages Gap analysis concluded. Solution design underway were the Commissioner is having one on one meeting with the Executives. | To-Be Organisational Structure is underway; the Office of the Commissioner is looking at it. |
| | | Build appropriate staff competencies and capabilities | Skills audit is completed waiting for consultation and approval. | Skills audit is completed waiting for consultation and approval. |
| | | Substantive and Search Examination Capacity | Examiners training & Experiential Learning | Examiners training & Experiential Learning |
| | <i>Governance Capacity</i> | Policies regularly reviewed | A policy register is kept and monitored. 42 out of 52 policies are up to date. | 39 out of 52 policies are up to date and there are 3 new planned policies. Policies are reviewed at least after three years. |
| | | Clean Audits | N/A | Clean Audit for 2021/22 |
| | <i>Quick-Response</i> | Reduce average turnaround times to less than a day | Companies and Co-operatives registration – 1 day, Queries – 3 days | Companies and Co-operatives registration – 1 day, Queries – 3 days |
| | | Modernise systems and automate processes | 29 services were planned to be released during Q1. Services was not released due to incomplete testing by business as well as the instability of connections to DHA that support these services | 29 services planned for release in Q1 was rolled over to Q2. DHA connectivity still has not been resolved, however additional resourcing has been allocated for reviewing development for any errors as well as Business UAT. As a fast tracking mechanism, 32 services have been identified to be released as |

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|-------------------|--|--|--|--|
| Transformation | | | | part of a soft launch on 14/10/2022. This will be done subsequent to completed development and UAT |
| | <i>DDM</i> | Extend CIPC Services to the 52 Districts/Metros | Virtual channels to extend access throughout South Africa and abroad | Virtual channels to extend access throughout South Africa and abroad |
| | | Education and awareness programme | Education and awareness events over 40 | Education and awareness events over 50 |
| | <i>Integrated Delivery</i> | Collaboration with identified strategic partners | Continued with collaboration | Continued with collaboration |
| | | BizPortal | Services added on the platform | Services added on the platform |
| | <i>B-BBEE promotion and review (black industrialists, women, youth and PWD)</i> | Number of enterprises that are at least 51% black youth owned that have been supported directly or indirectly | 0 | 1 |
| | | Number of enterprises that at least 51% Black Women Owned enterprises supported directly or indirectly | 57 | 2 |
| | | Number of enterprises that are at least 51% black people with disability owned that have been supported directly or indirectly | 7 | 0 |
| Industrialisation | | Number/percentage of SMMEs supported | 0 | 10 |
| | Localisation | Simplify processes to contribute to localisation and formalization of local firms | Continued to simplify the registration and business maintenance function through digitisation to contribute | Continued to simplify the registration and business maintenance function |

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|----------------|--|--------------------------|--|--|----------------------|------------------------|----------------|-----|-------|----------------|-----|-----|---|----------------|----------------------|------------------------|----------------|-----|------|----------------|-----|-----|
| | | | to improved localisation and formalization of local firms. See Table 1. | through digitisation to contribute to improved localisation and formalization of local firms. See Table 1. | | | | | | | | | | | | | | | | | | |
| | Education and awareness of business and IP regulation and benefits thereof. | | Continued with education and awareness for SMMEs, institutes of higher learning, and school kids to educate about the role of intellectual property (IP) in the economy and to encourage the registration of inventions; as well as improving compliance with the Company Act No. 71 of 2008, such as the annual returns filing, the submission of the audited financial statements etc. See Performance Tables for the number of education and awareness events. | Continued with education and awareness for SMMEs, institutes of higher learning, and school kids to educate about the role of intellectual property (IP) in the economy and to encourage the registration of inventions; as well as improving compliance with the Company Act No. 71 of 2008, such as the annual returns filing, the submission of the audited financial statements etc. See Performance Tables for the number of education and awareness events. | | | | | | | | | | | | | | | | | | |
| | Focus on growth and sustainability of SMMEs evident in local filings through through teaching them the value of intellectual property rights has led to an increase in awareness and interest in the services of CIPC. We also focus on disadvantaged groups including women. Our efforts aim to promote the value of protecting IP rights and having respect for it. | | <table border="1"> <thead> <tr> <th><i>IP Area</i></th> <th><i>Local filings</i></th> <th><i>Foreign Filings</i></th> </tr> </thead> <tbody> <tr> <td>Patents</td> <td>425</td> <td>3 126</td> </tr> <tr> <td>Designs</td> <td>190</td> <td>250</td> </tr> </tbody> </table> | <i>IP Area</i> | <i>Local filings</i> | <i>Foreign Filings</i> | Patents | 425 | 3 126 | Designs | 190 | 250 | <table border="1"> <thead> <tr> <th><i>IP Area</i></th> <th><i>Local filings</i></th> <th><i>Foreign Filings</i></th> </tr> </thead> <tbody> <tr> <td>Patents</td> <td>437</td> <td>3137</td> </tr> <tr> <td>Designs</td> <td>147</td> <td>245</td> </tr> </tbody> </table> | <i>IP Area</i> | <i>Local filings</i> | <i>Foreign Filings</i> | Patents | 437 | 3137 | Designs | 147 | 245 |
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|--|---------------------------------------|--|---|--|---------------------------------------|--|-----------------|---|----------------|--|----------------|--|------------------|--|-----------------|---|----------------|---------------------|
| | Investment | <p>The CIPC administer Chapter 4 of the Companies Act No. 71 of 2008, as amended, which provides for public offer regulation of securities transactions. In essence, no public offer of securities may be made by a company unless the disclosure requirements in Chapter 4 have been complied with (unless exempted). The disclosure document is known as a Prospectus. To demonstrate the value and impact of this exercise, we directed companies to provide verified formal reports on the amount of capital raised from the public</p> | <table border="1"> <thead> <tr> <th>CAPITAL RAISED REPORTED DURING MAY 2022</th> <th>Reported Capital Raised for Q1</th> </tr> </thead> <tbody> <tr> <td>BAILEY EP 12 LIMITED 2021/619442/06 NO 56 OF 2021</td> <td>R 15 222 350.00</td> </tr> <tr> <td>DESTINATA EQUITY FUND LIMITED 2019/193661/07 NO 57 OF 2021</td> <td>R 1 069 000.00</td> </tr> <tr> <td>RENCCELL II LIMITED 2018/195619/06NO 60 OF 2021</td> <td>R 1 658 000.00</td> </tr> <tr> <td>AREIT PROP LIMITED 2021/837953/07 NO 63 OF 2021</td> <td>R 167 863 120.00</td> </tr> <tr> <td>BALLITO HILLS EP 16 LIMITED NO 2021/620568/06 NO 66 OF 2021</td> <td>R 16 029 042.80</td> </tr> <tr> <td>MEDIA MILL EP 17 LIMITED 2022/236833/06 NO 8 OF 2022</td> <td>R 4 935 762.83</td> </tr> </tbody> </table> | CAPITAL RAISED REPORTED DURING MAY 2022 | Reported Capital Raised for Q1 | BAILEY EP 12 LIMITED 2021/619442/06 NO 56 OF 2021 | R 15 222 350.00 | DESTINATA EQUITY FUND LIMITED 2019/193661/07 NO 57 OF 2021 | R 1 069 000.00 | RENCCELL II LIMITED 2018/195619/06NO 60 OF 2021 | R 1 658 000.00 | AREIT PROP LIMITED 2021/837953/07 NO 63 OF 2021 | R 167 863 120.00 | BALLITO HILLS EP 16 LIMITED NO 2021/620568/06 NO 66 OF 2021 | R 16 029 042.80 | MEDIA MILL EP 17 LIMITED 2022/236833/06 NO 8 OF 2022 | R 4 935 762.83 | See the table below |
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| | | <p>The CIPC contributes to promotion of investment through training of law enforcement officials. Capable law enforcement officials effectively deal with the scourge of counterfeit products in our market places therefore ensuring a reputable business environment conducive for investment. The CIPC continuously trains the officials from organisations such as the South African Revenue Services (SARS), the South African Police</p> | 2 events | 1 event | | | | | | | | | | | | | | |

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|--------------|-------------------|---|--|--|
| | | Services (SAPS), and the National Prosecution Authority (NPA). | | |
| | | <p>On Substantive Search and Examination (SSE), the CIPC is at advanced stages of preparing the examination team for the envisaged implementation of SSE. Official implementation of the SSE is dependent on the proposed legislative reforms. The broader impact of implementing SSE is to ensure that artificial monopolies created by patent rights are justified and not unjustifiably hindering industrialisation and investment.</p> | Examiners training & Experiential Learning | Examiners training & Experiential Learning |

| <i>CAPITAL RAISED REPORTED DURING July – September 2022</i> | Reported Capital Raised |
|--|--------------------------------|
| JALTECH DIGITAL ASSET HOLDINGS LIMITED | R 3 006 520.00 |
| CARRINGTON EP 18 LIMITED | R 6 876 150.00 |
| CAPITAL ON BATH EP 19 LIMITED | R 7 149 600.00 |
| GO GETTA LIMITED | R 0.00 |
| SAXON SQUARE EP20 LIMITED | R3 728 244.00 |
| EAST ASIAN GROWTH BASKET LIMITED | AUD 2586.64 USD1766.21 |
| BB SANDTON TWO EP 21 LIMITED | R6 267 126.00 |
| HP HOUSE EP20 LIMITED | R 4 884 450.00 |