



Companies and Intellectual
Property Commission

a member of **the dtic** group

CIPC FIRST QUARTER PERFORMANCE REPORT

2023/24

Approval of the Report

Endorsement of Support by the Audit Committee

I hereby support the endorsement of the report.

Signature:  _____


Name: D Konar

Rank: Chairperson: Audit Committee

Date: 28 July 2023

Endorsement by the Accounting Authority

I hereby support the endorsement of the report.

Signature:  _____

Name: Adv Rory W. Voller

Rank: Commissioner

Date: 31 July 2023

NB: For the purpose of this Report, **Accounting Officer** = the person responsible for the daily operations of the entity (e.g., CEO) and **Accounting Authority** = a person representing a body that provides oversight over the entity (e.g., Board / Tribunal Chairperson) and / or Minister's direct Reportee (e.g., Commissioner / CEO)

Acronyms

Abbreviation	Description
AFDA	Africa Film, Dance and Art Colleague
AFS	Annual Financial Statements
AG	Auditor General
APP	Annual Performance Plan
ASE	Academy of Sound Engineering
AVE	Advertising Value Equivalent
BIPA	Business and Intellectual Property Authority
BISG	Business Intelligent Services Group
BRICS	Brazil, Russia, India, China and South Africa
CCRD	Consumer Corporate Regulation Division
CGSE	Corporate Governance Surveillance and Enforcement
CIPA	Companies and Intellectual Property Authority
CIPC	Companies and Intellectual Property Commission
CNIPA	China National Intellectual Property Administration
DHA	Department of Home Affairs
DMP	Directors, Members and Practitioners
DPCI	Directorate for Priority Crime Investigations
DSI	Department of Science and Innovation
ELP	Experiential Learning Programme
EPMO	Enterprise Project Management Office
EPO	European Patent Office
ESS	Employee Self-service
FAS	Financial Accountability Supplements
FATF	Financial Action Task Force
FSCA	Financial Sector Conduct Authority
GCIP	Global Cyber and IP
HIPO	Heads of Intellectual Property Offices
HSRC	Human Sciences Research Council
IBP	Innovation Bridge Portal
ICHIP	International Computer Hacking and IP
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IP	Intellectual Property
IPAS	Industrial Property Automation System
IRBA	Independent Regulatory Board for Auditors
MoU	Memorandum of Understanding
NATJOC	National Joint Operations Centre
NIPMO	National Intellectual Property Management Office
NSBC	National Small Business Chamber
NSI	National System of Innovation
NYDA	National Youth Development Agency
OHS	Occupational Health and Safety
OPDAT	Overseas Prosecutorial Development Assistance and Training
OSFC	One-stop Facilitation Centre
PEB	Patent Examination Board

Abbreviation	Description
PFMA	Public Finance Management Act
PR	Public Relations
QRS	Query Resolution System
RFP	Request for Proposal
RFQ	Request for Quotation
RI	Reportable Irregularity
SAASTA	South African Agency for Science and Technology Advancement
SACU	Southern African Customs Union
SAHPRA	South African Health Professionals Regulatory Authority
SALBA	South African Liquor Brand Owners Association
SANSA	South African National Space Agency
SAPS	South African Police Service
SARS	South African Revenue Service
SDS	Service Delivery Standards
SEDA	Small Enterprise Development Agency
SMME	Small, Medium and Micro Enterprises
SSAIP	Swiss-South African Intellectual Property Intervention
SSC	Self-Service Centre
SSE	Substantive Search and Examination
SST	Self-Service Terminal
TAT	Turnaround time
the dtic	the Department of Trade, Industry and Competition
TIA	Technology Innovation Agency
USPTO	United States Patent and Trade Mark Office
WIPO	World Intellectual Property Organization
WSSS	WIPO Summer School South Africa
WTO	World Trade Organisation
XBRL	eXtensible Business Reporting Language

Contents

Approval of the Report	2
Acronyms	3
Contents	5
List of Tables	7
List of Figures.....	8
1. Introduction.....	9
2. CIPC Overall Performance.....	11
2.1. Service Delivery Environment.....	11
2.1.1. Service Delivery	11
2.1.2. Legal, Policy Support, and Outreach.....	20
2.1.3. Compliance Monitoring and Enforcement	22
2.1.4. Education and Awareness	32
2.1.5. Customer Contact: Call Centre, QRS, and social media etc.....	33
2.1.6. Disclosure	34
2.1.7. Modernisation, Automation and Channels.....	35
2.2. Organizational Environment.....	39
2.2.1. Governance, Compliance and Risk.....	39
2.2.2. Investigations and Anti-corruption.....	39
2.2.3. Industrial / Labour Relations Issues.....	39
2.2.4. Appointments, Resignations, Retirements, Terminations	39
2.2.5. Discontinued activities / activities to be discontinued.....	39
2.2.6. New or proposed activities	39
2.2.7. Facilities and Security.....	40
2.2.8. Media analysis/campaign/strategies.....	41
2.2.9. New challenges and risks identified in the quarter.	44
2.3. New Policy and Legislative Changes	45
3. Performance against the APP.....	46
3.1. Progress made against unachieved targets in the previous quarter.	46
3.1.1. Programme 1: Service Delivery and Access.....	46
3.1.2. Programme 2: Innovation & Creativity Promotion.....	46
3.1.3. Programme 3: Business Regulation and Reputation.....	46
3.2. Progress made against current Quarterly Milestones.	47
3.2.1. Programme 1: Service Delivery and Access.....	47
3.2.2. Programme 2: Innovation & Creativity Promotion.....	49

3.2.3.	Programme 3: Business Regulation and Reputation.....	53
4.	Governance, Risk and Compliance Quarter 1 Report.....	58
4.1.	Purpose.....	58
4.2.	Highlights.....	58
4.2.1.	Summary of achievements for the quarter:.....	58
4.2.2.	Matters for recommendation/approval.....	58
4.3.	Governance and Ethics.....	58
4.3.1.	Implementation of the Governance Framework.....	58
4.3.2.	Ethics.....	58
4.3.3.	Declaration of Interest.....	58
4.4.	Status of Policies as of 30 June 2023.....	59
4.5.	Risk Management.....	60
4.5.1.	Overview.....	60
4.5.2.	Strategic Risk Dashboard.....	60
4.5.3.	Emerging Risks.....	61
4.6.	Progress on Implementation of the Risk and Fraud Plan.....	61
4.7.	Fraud Prevention.....	62
4.7.1.	Complaints received.....	63
4.7.2.	Status of Open Cases.....	63
4.7.3.	Summary – Reporting Channels.....	64
4.7.4.	Summary – Nature of Cases.....	64
4.7.5.	Case Age Analysis.....	64
4.8.	Compliance Management.....	65
4.8.1.	Legislative Compliance.....	65
4.8.2.	Compliance with and Risk Management Policies.....	65
4.9.	Business Continuity Risk Management.....	65
4.10.	Challenges and Recommendations.....	66
4.11.	Focus for the Next Quarter.....	66
5.	Audit Report.....	67
5.1.	Progress against Internal Audit Finding Matrix & Progress against AG/External Audit Finding Matrix.....	67
5.1.1.	Audit Findings Tracking Summary Report for the Quarter Ended 31 March 2023.....	67
5.2.	Progress made regarding Combined Assurance Plan.....	69
6.	Financial Report.....	70
7.	PFMA and TR Compliance Checklist.....	71

8. Copyright and IP Enforcement Report.....	72
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List of Tables

Table 1: Key Services – Volumes, Average TAT and SDS	11
Table 2: Trade Mark Monthly Statistics.....	15
Table 3: Annual Comparison of New Company Registrations in Quarter 1	17
Table 4: Status of Business Rescue Proceedings.....	23
Table 5: Business Rescue Commencements per month, annually.....	24
Table 6: Reportable Irregularities 2022/23	26
Table 7: High Profile Companies under Investigation.....	27
Table 8: Independent Review: Regulation 29.....	27
Table 9: Cold Case Matters.....	27
Table 10: Prospectus (Q1)	28
Table 11: Types of contraventions on the complaints received in Q1.....	29
Table 12: Statistics on enforcement of Compliance Notices.....	29
Table 13: Customer Contact: Call centre, QRS, and social media	33
Table 14: Self Service Centers’ (Pretoria, Johannesburg, and Cape Town) Traffic - Q1.....	34
Table 15: Paper-based Disclosure Billing Production Statistics.....	34
Table 16: State Department	35
Table 17: Disclosure Query Resolution	35
Table 18: CIPC Channels and Services Offered.....	35
Table 19: Partner sites	36
Table 20: Channels and Services Available 24/7	37
Table 21: Labour Relations Issues.....	39
Table 22: Appointments, Resignations, Retirements and Terminations.....	39
Table 23: Programme 1 Performance Table.....	47
Table 24: Programme 2 Performance Table	49
Table 25: Programme 3 Performance Table	53
Table 26: Status of Policies (Q1, FY2023/24)	59
Table 27: Policies for Review.....	60
Table 28: Progress in relation to Planned Activities.....	61
Table 29: Complaints Received (1st of March - 30th of June 2023)	63
Table 30: Status of Open Cases (30th of June 2023)	63
Table 31: Reporting Channel Utilization.....	64
Table 32: Summary of the Nature of Cases, per category.....	64
Table 33: Compliance Table	65
Table 34: Challenges faced by GRC.....	66
Table 35: Audit Assignment Table	67
Table 36: Internal Audit Findings (FY2019/2020).....	68
Table 37: Internal Audit Findings (FY2020/2021).....	68
Table 38: Internal Audit Findings (FY2021/2022).....	68
Table 39: Internal Audit Findings (FY2022/2023).....	68

List of Figures

Figure 1: Overall Performance, Q1 (FY2023/24)	9
Figure 2: Overall Performance, Q1 (FY2023/24), Achieved / Not Achieved / Exceeded Targets	9
Figure 3: Programme 1 Performance, Q1 (FY2023/24)	10
Figure 4: Programme 2 Performance, Q1 (FY2023/24)	10
Figure 5: Programme 3 Performance, Q1 (FY2023/24)	10
Figure 6: Annual Comparison of Fully Automated vs. Hybrid New Company Registrations....	18
Figure 7: AR Filings Comparison (Gross Filings) April to June	23
Figure 8: AR Filing Comparison (In-time filings) April to June.....	23
Figure 9: Volume of Business Rescue Proceedings – Q1	25
Figure 10: Enterprise Category Specification for commenced Business Rescue Proceedings 2022-23.....	25
Figure 11: Type of contraventions on the complaints received in Q1.	29
Figure 12: Strategic Risk Dashboard.....	60
Figure 13: Case Age Analysis	65

1. Introduction

The purpose of this report is to outline the Companies and Intellectual Property Commission’s (CIPC’s) 2023/24 Quarter 1 performance against its plans and targets, as outlined in its Annual Performance Plan (APP) for the 2023/24 reporting period.

In Quarter 1 of 2023/24, 12 (92%) of 13 Quarterly targets were achieved. It should be noted that five indicators under Programme 1, six indicators under Programme 2 and three indicators under Programme 3 were not included in this calculation as reporting was not required for these indicators in Quarter 1.

Figure 1: Overall Performance, Q1 (FY2023/24)

CIPC Overall Q1 Performance (FY2023/24)

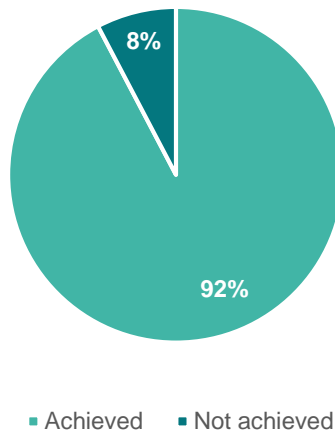
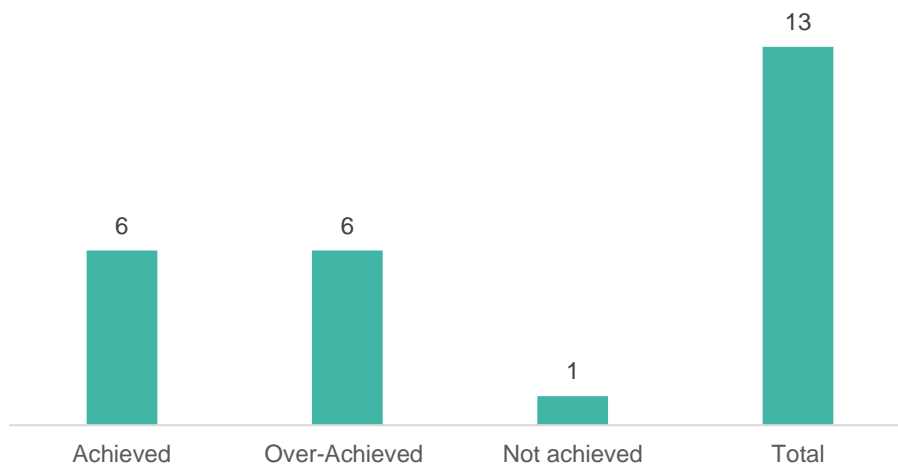


Figure 2: Overall Performance, Q1 (FY2023/24), Achieved / Not Achieved / Exceeded Targets

CIPC Overall Q1 Performance (FY2023/24)



Under Programme 1, 0 (0%) out of 1 quarterly targets was achieved. Under Programme 2, 4 (100%) out of 4 quarterly targets were achieved or exceeded. Under Programme 3, 8 (100%) out of 8 quarterly targets were achieved or exceeded.

Figure 3: Programme 1 Performance, Q1 (FY2023/24)

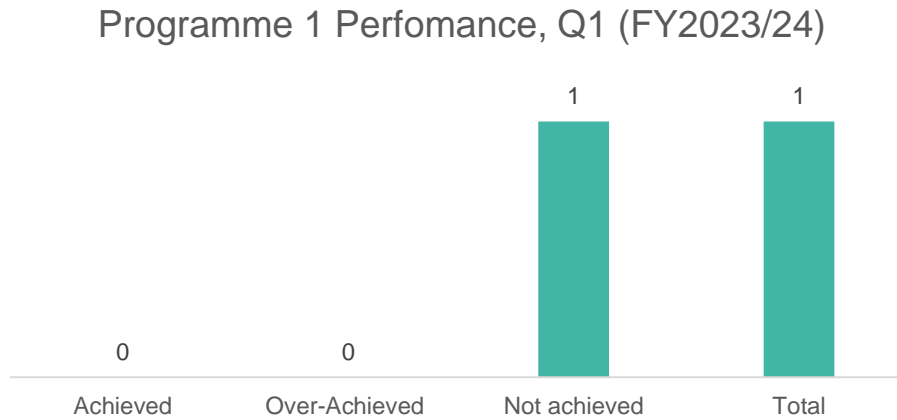


Figure 4: Programme 2 Performance, Q1 (FY2023/24)

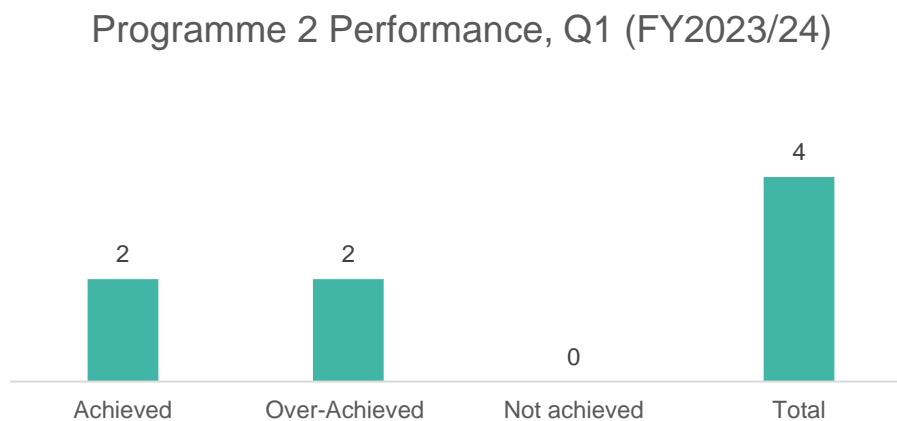
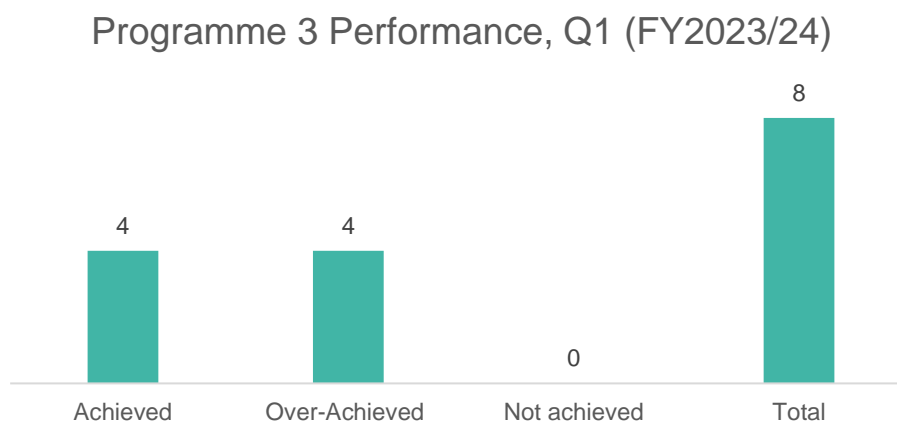


Figure 5: Programme 3 Performance, Q1 (FY2023/24)



2. CIPC Overall Performance

This section shows the impact of the service delivery environment and the organizational environment on the CIPC's overall performance and service delivery during the period under review.

2.1. Service Delivery Environment

This section illustrates demand for CIPC services and discusses how this affected the CIPC.

2.1.1. Service Delivery

The table below illustrates performance in key service areas in terms of volume, average Turnaround Time (TAT), and percentage of transactions processed in line with Service Delivery Standards (SDS). Each of the key services is discussed thereafter.

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

CIPC Services	Number/Average Turnaround Time (ATAT)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Patent applications	Number	2 688			
	ATAT	2			
	SDS (2 working days)	100%			
Patent certificates	Number	2 110			
	ATAT	23			
	SDS (44 working days)	100%			
Patent renewals	Number	8 703			
	ATAT	2			
	SDS (3 working days)	100%			
Design applications	Number	299			
	ATAT	2			
	SDS (2 working days)	99%			
Design certificates	Number	326			
	ATAT	9			
	SDS (44 working days after publication)	100%			
Designs renewals	Number	1 457			
	ATAT	2			
	SDS (3 working days)	100%			
	Number	2			

CIPC Services	Number/Average Turnaround Time (ATAT)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Copyright in film applications	ATAT	100%			
	SDS (1 working day)	1 day			
Copyright in film registrations	Number	0			
	ATAT	N/A			
	SDS (22 working days)	N/A			
Trade Mark applications	Number	Local = 4,210 Foreign = 5,434			
	ATAT	97%			
	SDS (3 working days)	3 days			
Trade Mark registrations	Number	8 572			
	ATAT	87%			
	SDS (90 days + 90 days)	180 days			
Trade Mark Official Action	Number	9 831			
	ATAT	92%			
	SDS (10 months/304 days)	304 days			
Trade Mark Renewals	Number	8 459			
	ATAT	98%			
	SDS (3 working days)	3 days			
Name reservations	Number	123 134			
	ATAT	1.89			
	SDS	50%			
Companies Registrations	Number	102 487			
	ATAT	2			
	SDS	54%			
BBBEE Certificates	Number	91 788			
	ATAT	Immediate			
	SDS	100%			
Co-operative Registrations	Number	1 616			
	ATAT	1 day			
	SDS (3 days)	1 day			
Director Amendments	Number	Electronic = 40 878 Manual = 1 388			
	ATAT	Electronic = 1 day Manual = 2 days			
	SDS	Electronic = 2 days Manual = 3 days			
Member Amendments	Number	Electronic = 4 001 Manual = 1 753			
	ATAT	Electronic = 1 day Manual = 1 day			
	SDS	Electronic = 2 days Manual = 3 days			

CIPC Services	Number/Average Turnaround Time (ATAT)	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Company Name Changes	Number	13 523			
	ATAT	Immediate			
	SDS	100%			
Company Financial Year End Changes	Number	1 264			
	ATAT	Immediate			
	SDS	100%			
Query Resolution	Queries received	39 987			
	Queries closed	39 903			
	ATAT	6,4 days			
	SDS (10 days)	91%			
Facebook	Queries received	12 450			
	Queries closed	8 719			
	ATAT	4h17m			
	SDS (24 hours)	95%			
Twitter	Queries received	1 725			
	Queries closed	1 158			
	ATAT	5h56m			
	SDS (24 hours)	95.7%			

Legend

 **Under 90% - SDS Performance Target**

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

Breakdown of Applications Received

The CIPC satisfactorily maintained and complied with set external service delivery standards (SDS) for processing both patent and design applications in Quarter 1 on 2023/24.

The CIPC received 2 688 patent applications (2 353 foreign applications and 335 local applications) and 299 design applications (148 foreign and 151 local applications) during Quarter 1 of 2022/23. This was significantly lower than the number of patent applications received in the equivalent quarter of the previous financial year wherein which 3 556 applications were received, representing an approximate decrease of 24% in the number of applications received. The main contributor to this decrease was a decline in applications filed by foreign applicants with no priority claims. The office observed that these applications primarily exploited inherent loopholes within the South African Patent Depository System, where the merits of patent applications are not assessed. A significant number of these foreign applications were accompanied by requests to expedite their acceptance. On April 11, 2023, the office implemented a practice notice aimed at curbing abuse of the patent system. This notice outlined the requirements for requesting expedited acceptance of patent applications.¹

Similarly, the number of design applications received in Quarter 1 of 2023/24 was lower than the number of applications received in Quarter 1 of 2022/23 (440 applications were received in Quarter 1 of 2022/23) representing an approximate decrease of 32% in the number of design applications.

The average TAT for patent applications was maintained at two (2) working days. One hundred percent (100%) of applications were processed within the set external service delivery standard (SDS) turnaround time of two working days (2).

The average TAT for design applications was maintained at two (2) working days. Ninety-nine percent (99%) of applications were processed within the set external service delivery standard (SDS) turnaround time of two (2) working days.

¹ https://www.cipc.co.za/wp-content/uploads/2023/04/Practice-Notice_21-of-2023-2.pdf; <https://www.cipc.co.za/?p=17839> and <https://www.bbrief.co.za/2023/04/20/registrar-of-patents-takes-steps-to-prevent-patent-system-abuse-in-south-africa/>

Patent and Design Certificates

During Quarter 1 of 2023/24, the CIPC issued 2 110 patent certificates, which represents a decrease of 26% in comparison to Quarter 1 of 2022/23 where 2 852 patent certificates were issued.

Further, 326 design certificates were issued in Quarter 1 of 2023/24, which also represents a significant decrease (22%) in comparison to the 415 design registration certificates issued in Quarter 1 of 2022/23.

One hundred percent (100%) of patent and design certificates were issued within the set service delivery standard (SDS) turnaround time of 44 days at an average turnaround time (ATAT) of 23 days for patent certificates and 9 days for design certificates.

Copyright in Film

Quarter 1

Applications

During the reporting period in question, the Copyright unit received two (2) Copyright in Film applications, of which both were processed within the set service delivery standard (SDS) turnaround time.

Registrations

During the reporting period in question, the Copyright unit issued no Copyright in Film registration certificates.

Trade Marks

For an overview of new trade mark applications, trade mark registrations, trade mark official actions and trade mark renewals in Quarter 1, refer to **Table 1** above as well as table below.

Table 2: Trade Mark Monthly Statistics

External SDS	April 23	May 23	Jun 23	Total
New Applications	2,893	3,440	3,311	9,644
3 Working Days	97% Compliance	97% Compliance	97% Compliance	97% Average
Local Applicants	1,038	1,262	1,910	4,210
Foreign Applicants	1,855	2,178	1,401	5,434
Registration Certificates	2,405	3,610	2,557	8,572

External SDS	April 23	May 23	Jun 23	Total
90 + 90 Days	95% Compliance	84% Compliance	81% Compliance	87% Average
Renewals	2,095	3,233	3,131	8,459
3 Working Days	97% Compliance	99% Compliance	98% Compliance	98% Average
Official Actions	2,039	3,485	4,307	9,831
10 Months	97% Compliance	94% Compliance	86% Compliance	92% Average

Quarter 1

To begin with, no changes in the internal (systems/processes) or external (policies/legislation) environment, compared to the previous reporting period (Quarter 4 of 2022/23), were noted during the reporting period in question.

Thus, in Quarter 1 of 2023/24, 9 644 new trade mark applications were received. On the other hand, trade mark registrations amounted to 8,572. Further, trade mark official actions amounted to 9,831, whereas trade mark renewals amounted to 8,459.

When the statistics outlined in Table 1 for the current reporting period (Quarter 1 of 2023/2024) are compared to the same reporting period for 2022/2023, the following can be determined:

- Slightly less new trade mark applications (9,644) were received in this reporting period, compared to the equivalent reporting period in the previous financial year (9,672);
- Slightly less trade mark registration certificates were issued in this reporting period (8,572) compared to the equivalent reporting period in the previous financial year (9,002). However, the service delivery standard average turnaround time compliance rate increased significantly in the current reporting period (from 69% to 87%) due to files becoming more readily available via the off-site storage facility following finalization of the file transition project.
- The division managed to increase the number of official actions issued in the current reporting period (9,831) compared to the equivalent period in the previous financial year (6,845). The reduced compliance rate in the current reporting period (from 99,4% to 92%) can be attributed to a reduction in the service delivery standard average turnaround times in respect of examination, from 12 months in 2022/23 to 10 months in 2023/24.
- There was a substantial increase in the number of trade mark renewal applications lodged in Quarter 1 of 2023/2024 (8,459) compared to the equivalent period in 2022/2023 (7,047). At the same time, the division managed to maintain the same high level of compliance to service delivery standard average turnaround times.

Companies and Close Corporations (CCs)

Quarter 1

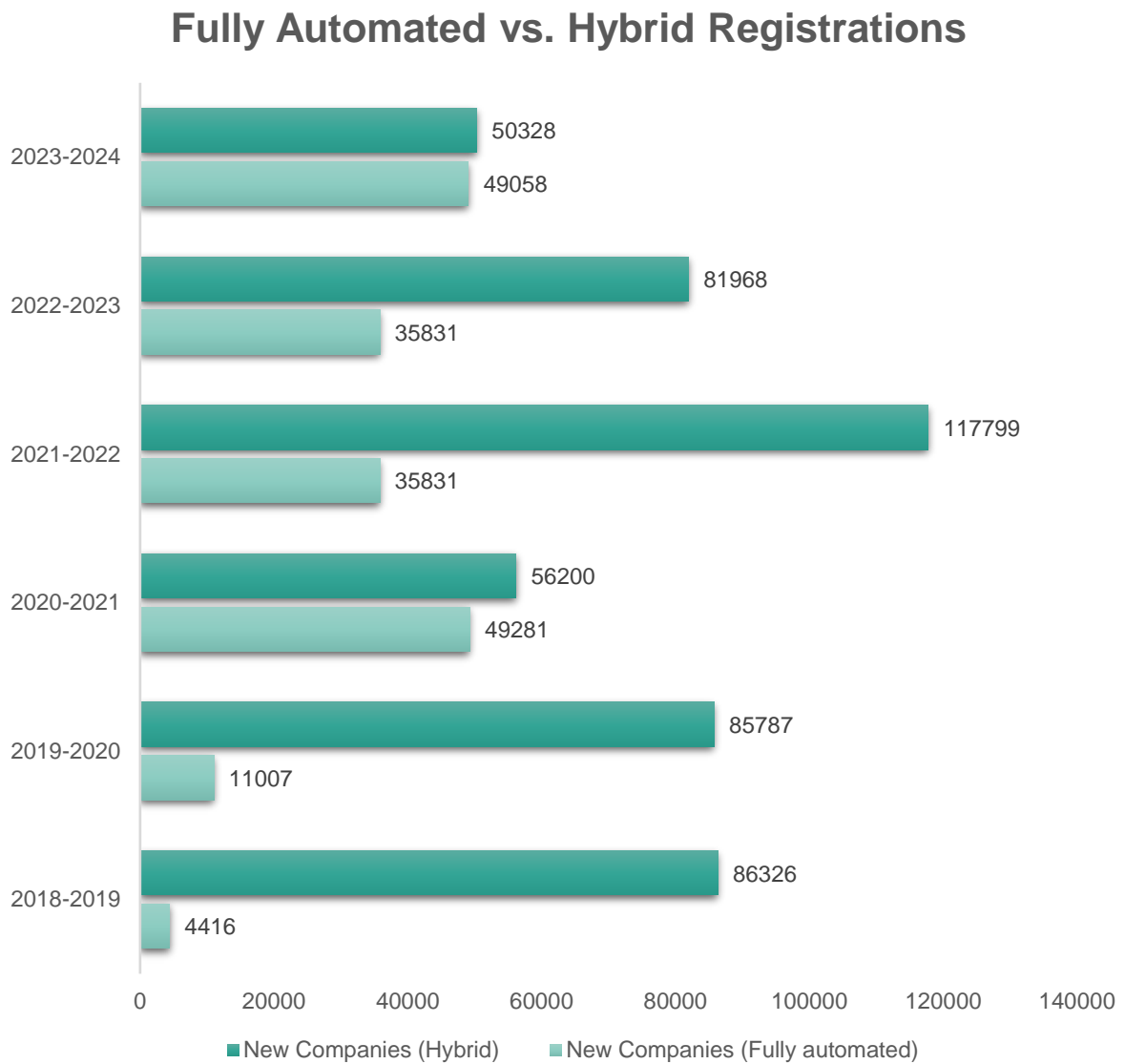
New company registrations were less than the comparative period in 2022-2023 and follow the same trend as per the 2021-2022 and 2022-2023 financial years. The trend of an increase in volume of automated new company registrations, compared with hybrid new company registrations, continued.

Due to the change in service standards for new company registrations from 2 days to 1 day, and due to continued delays in the dispatch of confirmation certificates, a negative impact can be observed on service delivery. The average turnaround time for Quarter 1 was 2 working days, while only 54% of registrations were completed within 1 day.

Table 3: Annual Comparison of New Company Registrations in Quarter 1

Annual Volumes – Quarter 1	Period – April to June
2020-2021	106 332
2021-2022	156 691
2022-2023	120 860
2023-2024	102 487
Grand Total	486 370

Figure 6: Annual Comparison of Fully Automated vs. Hybrid New Company Registrations



Co-operatives

Quarter 1

Registrations

During the period in question, 1 616 Co-operatives were registered, all of which were processed within the set service delivery standard (SDS) average turnaround time.

Conversions

Seven (7) conversions were received and processed during Quarter 1.

Amalgamations

No amalgamations were received.

Data Management

Through our own data analysis, we have discovered that the CIPC does not have in its registry most of the contact details of members and directors of Cooperatives registered under the previous Act. This creates a challenge in terms of communicating with members and directors.

Although the CIPC has the physical addresses of members and directors of Cooperatives, the current challenges faced by the South African Post Office make it impossible to disseminate written correspondence in a cost-effective manner.

Thus, the CIPC has embarked on a project to update the contact information (email addresses and cellphone numbers) of members and directors of cooperatives. This project was piloted in June 2023 and was fully rolled out in July 2023.

Directors, Members and Practitioners (DMP)

Quarter 1

CoR39's

66 063 e-services applications were received in the period under review, while 40 878 of these were successfully processed and the remaining 25 524 were deemed unsuccessful due to reasons related to non-compliance with processing requirements. Additional applications were brought forward from the previous Quarter (Quarter 4 of 2022/23). In terms of manual applications, a total of 2 490 applications were received of which 1 388 were successfully processed while 1 128 were queried.

CK2's

We began the Quarter with 9 applications that were brought forward from the previous Quarter (Quarter 4 of 2022/23), while 6 631 new applications for e-service related member changes for close corporations were received. Of these, 4001 applications were successful while 2 634 applications were rejected due to non-compliance with processing requirements. Five applications remained as a closing balance for the period under review.

In terms of manual applications, 43 applications were brought forward while we received 3 225 new applications, of which 1 755 were approved and 1 514 were queried.

CoR44's

We received 2 943 applications and approved 1 667 of these, while 1 225 were queried and 64 were rolled over. CoR44 is a form used for changes in the office of auditors or changes in the office of the company secretary. The report above refers to both applications which are done by the back office, yet we have implemented an automated process for auditor changes through which high volumes were processed.

Business Rescue

Fifty-two (52) Business Rescue Practitioner licenses were issued of which some were renewals, while 140 requests for appointments were received and made for Business Rescue Practitioners.

2.1.2. Legal, Policy Support, and Outreach

IP Policy and Outreach

Quarter 1

IP for SMMES

The CIPC's IP4SMME team, comprised of skilled patent examiners, played a significant role in various events and workshops throughout the quarter, leveraging their expertise to deliver informative presentations and provide practical Intellectual Property support. Some examples include:

- **SMME Boot Camp, held at the Durban Jewish Centre**

At the SMME Boot Camp held at the Durban Jewish Centre, the team engaged with approximately 45 Young Innovators from across the nation. They offered valuable guidance and insights on how to protect and leverage their green innovations and business ideas, empowering the young participants to navigate the intellectual property landscape effectively. This event served as a launching pad for the Green Indaba, setting the stage for knowledge sharing, collaboration, and showcasing the crucial role of intellectual property in supporting young innovators in the green economy.

- **The Green Youth Indaba: Promoting Youth Participation and Sustainable Skills Development for a Just Transition (29 – 30 June 2023).**

At the Green Youth Indaba, held at the Durban International Convention Centre, where around 600 delegates attended per day, the IP4SMMEs team played a prominent role. They delivered engaging sessions and presentations, emphasizing the importance of Intellectual Property in driving sustainability, green innovation, and economic growth.

- **Practical Intellectual Property support programme for SMMEs, CSIR International Convention Centre (16 May 2023).**

During a workshop at the CSIR International Convention Centre in Pretoria, the IP4SMME team organized an event titled "Practical Intellectual Property Support Programme for SMMEs." Expert speakers shared valuable insights, strategies, and case studies, while interactive sessions allowed for networking and knowledge exchange.

- **Youth in Industries: Intellectual Property for Industrial Innovation and Technology (27 June 2023).**

The IP4SMMEs team actively participated in the "Youth in Industries: Intellectual Property for Industrial Innovation and Technology" webinar hosted by *the dtic*. This virtual event brought together speakers from SMMEs, government, and the legal fraternity. The team contributed with their expertise, highlighting the crucial role of Intellectual Property in fostering industrial innovation and technology.

IP BRICS

The 1st Quarter of 2023/24 was spent preparing for the informal meeting of the Heads of the IP Offices in Geneva. This involved intense interaction among the focal point coordinators in finalizing arrangements around the agenda, discussions with the IP management leadership and engagements with the Commissioner (as the chair of the meeting). The meeting was successfully held on the 7th of July 2023, in Geneva.

Commencing in parallel were arrangements for the IP Examiner and IP practitioner training that is usually held among the IP BRICS members on the annual IP BRICS calendar.

Legal

Quarter 1

The POPIA Compliance Framework, for annual use by the CIPC to monitor compliance in terms of POPIA, was finalized and submitted to GRC – for integration into the organizational compliance framework.

A "General Counsel" (in-house legal) implementation plan was developed and is ongoing, which includes structures, functions, and responsibilities. The Implementation Plan is in the process of being edited to provide for beneficial ownership as well – forming part of the Corporate Legal umbrella.

A multitude of subpoenas and requests for specific and technical information were received from law enforcement agencies – which is indicative of the number of criminal matters involving fraud, director, and shareholder disputes, etc. experienced in the country. Law enforcement agency requests for information are no longer simply for corporate registration documentation but are evolving to become much more technical in nature. Further, the CIPC's presence, in terms of providing expert testimony in court and in other forums, is becoming more prominent.

In relation to the Beneficial Ownership Project, aimed at developing the CIPC's own Beneficial Ownership register, the CIPC has attended legal framework and practical BO workshops and seminars. Compliance of the CIPC is crucial, particularly in terms of South Africa's world ranking. Relatedly, development of the Companies Act Amendment Regulations is crucial to cater for development of the Beneficial Ownership register, for which the CCRD & dtic are driving forces. CIPC released its BO-register on 1 April 2023 and is tending to ongoing webinars and seminars to educate the public on BO in general (in terms of GLAA and Companies Act Regulations) as well as provide guidance on the submission of BO-information via the register.

The CIPC is also creating precedent through its publication of several legal opinions and articles on interpretation and application of the Companies Act.

2.1.3. Compliance Monitoring and Enforcement

Annual Returns

Quarter 1

The volume of gross filings jumped up by 17% (67 046 filings) compared with Quarter 1 of the previous financial year. The CIPC undertook bulk de-registration of 647 853 companies and close corporations at the end of March 2023. The jump in gross filings is due to the subsequent increase in re-instatement applications. The volume of re-instatement applications increased from 571 during Quarter 1 of the previous financial year to 1 526 in the period under review.

The in-time filing rate also continued to increase by 3% (4 766 filings), while an overall increase in the compliance rate of in-time filings was observed at 26%.

Figure 7: AR Filings Comparison (Gross Filings) April to June

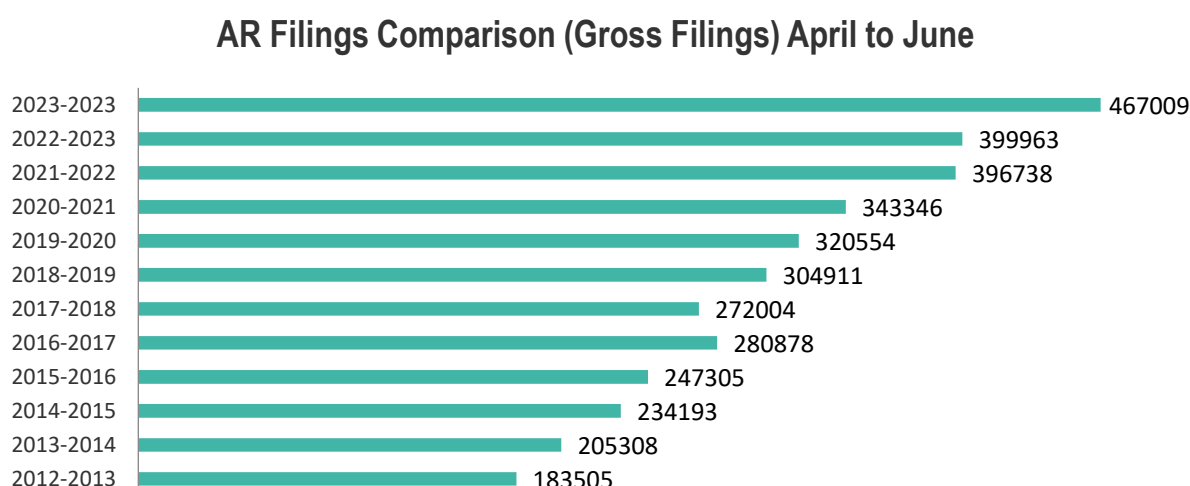
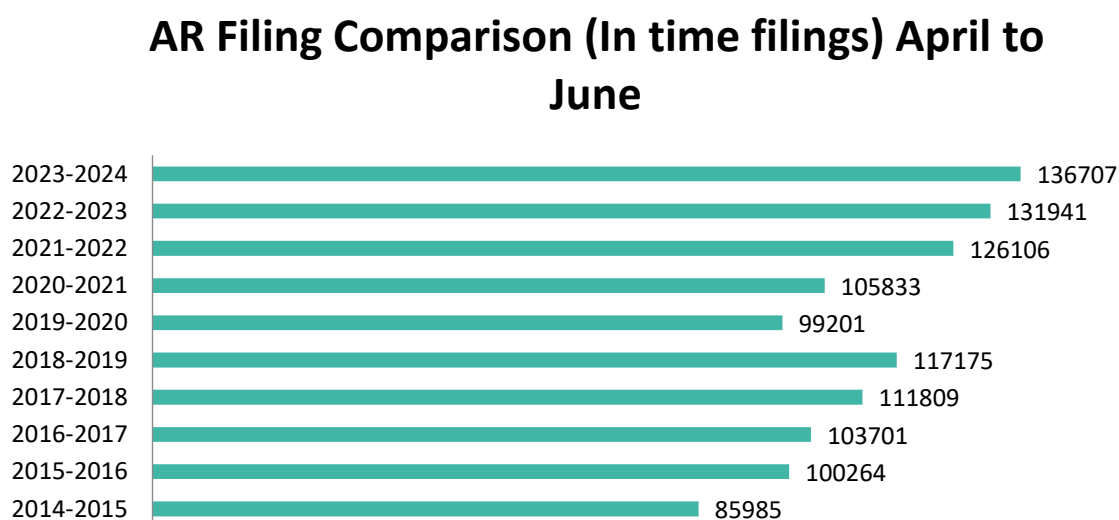


Figure 8: AR Filing Comparison (In-time filings) April to June



Business Rescue Proceedings

Quarter 1

Table 4: Status of Business Rescue Proceedings

Status of Proceedings v CIPC Financial Year	Status						Grand Total
	Active	Liquidation	Nullity	Set aside	Substantial	Termination	
2011-2012	50	58	111	2	85	77	383
2012-2013	108	67	28	5	109	123	440
2013-2014	115	73	21	6	105	89	409
2014-2015	114	73	26	4	101	95	413
2015-2016	141	74	24		88	154	481

Count of Status of BR Proceedings	Status						
2016-2017	103	56	17	3	80	116	375
2017-2018	124	43	22	2	67	104	362
2018-2019	130	38	32	5	62	82	349
2019-2020	156	39	15	4	85	74	373
2020-2021	174	35	6	2	101	55	373
2021-2022	207	23	9		48	60	347
2022-2023	239	10	3		19	23	294
2023-2024	61	2				2	65
April	19	2				2	23
May	22						22
June2	20						20
Grand Total	1 722	591	314	33	950	1 054	4 664

Sixty-five (65) companies and close corporations commenced business rescue proceedings during Quarter 1, as depicted in the table above. The decrease continued as with previous financial years.

Table 5: Business Rescue Commencements per month, annually

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	25	29	26	16	21	40	294
2023-2024	23	22	20										65
Grand Total	297	437	368	405	452	449	424	418	237	326	407	444	4664

Figure 9: Volume of Business Rescue Proceedings – Q1

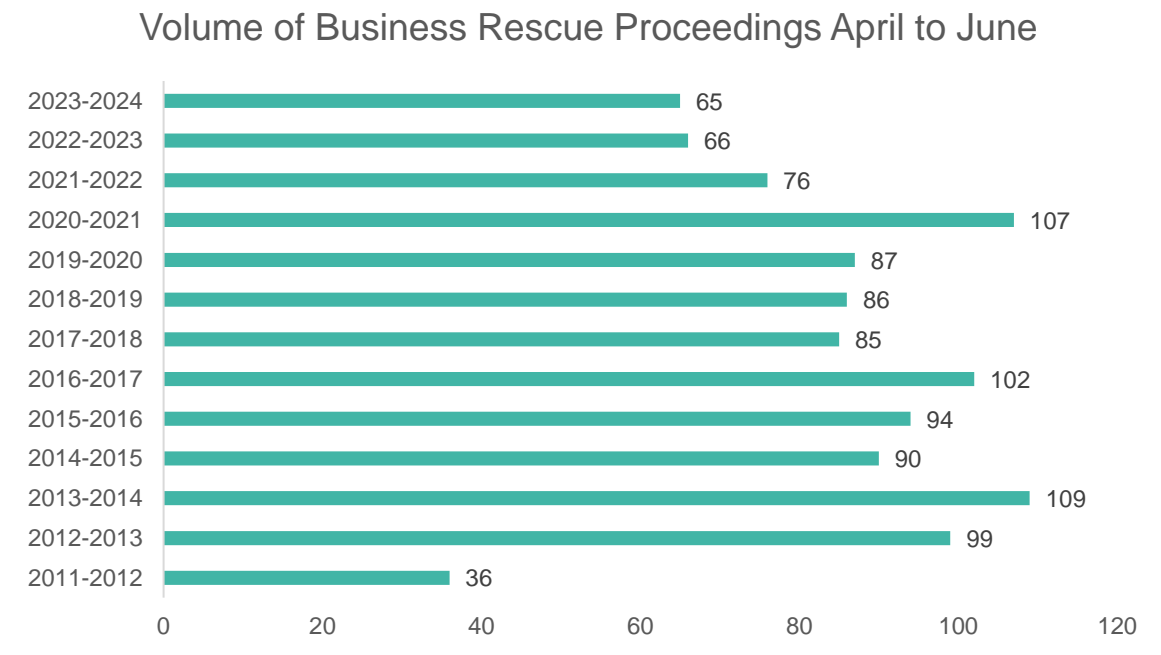
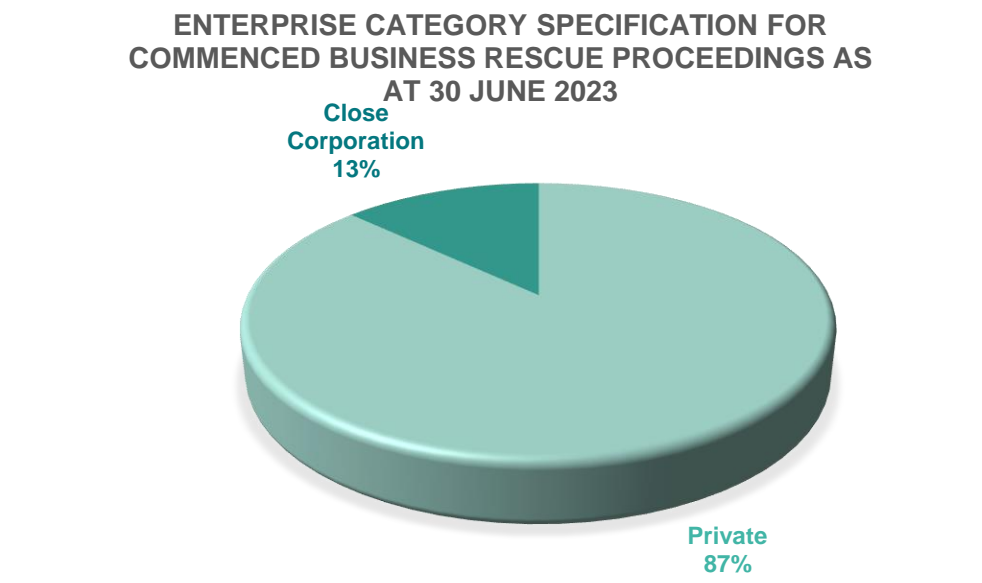


Figure 10: Enterprise Category Specification for commenced Business Rescue Proceedings 2022-23



Corporate Compliance and Disclosure Regulation

Quarter 1

During 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 Quarter 1 the focus of the XBRL Programme was primarily two-fold, namely: (1) to stay abreast with latest developments of accounting standards (by starting work on the CIPC taxonomy to incorporate the latest release of IFRS) and (2) to continue with the voluntary filing programme for Co-operatives to use XBRL as well.

In terms of XBRL filings, for Quarter 1 as of 30 June 2023, the following filing statistics were observed:

- Total number of filings since implementation of XBRL = 66 112
- Total number of unique filings since implementation of XBRL = 27 834
- Total number of filings for Quarter 1 = 3698
- IFRS-Full filings since implementation of XBRL = 33 282
- IFRS-SME filings since implementation of XBRL = 32 778
- GRAP filings since pilot implementation of GRAP = 50
- Co-operative filings since pilot implementation of Co-ops = 9

Reportable Irregularities

Quarter 1

The Reportable Irregularities stream observed low reportage of RI's from IRBA, while the team pro-actively reached out to the Audit Regulator to disseminate a communique to all auditors to ensure compliance with the obligation to report RI's. Further, a report is being developed to analyse the reasons for non-compliance.

Table 6: Reportable Irregularities 2022/23

	Q1	Q2	Q3	Q4
Opening Balance	329			
Cases Received	23			
Closed Cases	13			
Closing Balance	339			

High Profile Companies under Investigation

Table 7: High Profile Companies under Investigation

High Profile Cases
Quarter 1
Nova PropGrow Group Limited (Companies Tribunal Stage)
GUD Holdings (Judgement Reserved in Court)
SE1 Empowerment Investment (Judge ruled in favour of CIPC to place entity under Liquidation – S22)
Yakhe Khwinana Case (linked to Zondo Commission Report) - Matter pursued through State Attorney

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

Independent Review: Regulation 29

Independent Reviewers have been reporting a high number of RI's, those identified by Auditors. We have also observed a high number of closed matters as the team has been following up on matters closely.

Table 8: Independent Review: Regulation 29

	Q1	Q2	Q3	Q4
Opening Balance	183			
Allocated	53			
Total Closed	46			
Closing Balance	190			

Cold Cases

Table 9: Cold Case Matters

	Q1	Q2	Q3	Q4
Opening balance	22			
Order granted	4			
Settlement order/offer	2			
Opposed	4			
Removed from the list	4			
Currently in court/set down	5			
Closing balance	9			

The cold case matters listed above were affected by Covid-19 and by a number of changes within the State Attorney's office which have resulted in a lack of dedication to cold case

matters emanating from within the State Attorney’s office to follow up on these matters. Steps are now being taken to retract cold case matters due to the length of time some of them have been pending.

Moreover, judgement has been granted in favour of the CIPC in relation to four matters, however, there have been challenges with regards to determining fines payable by the affected entities.

Prospectus

Quarter 1

The prospectus stream administers Employee Share Schemes as prescribed in the Companies Act. During Quarter 1:

- (CoR46.1) Three (3) Employee Share Schemes were filed.
- (CoR46.2) Thirteen (13) Annual Certificates of Employee Share Schemes were received.

Table 10: Prospectus (Q1)

Company Name	Final prospectus	Current status
Quarter 1		
BLACKBRICK GARDENS EP 33 LIMITED	Final	Registered
GOGETTA LIMITED	Final	Registered
PEGASUS UA LIMITED	Final	Registered
ERIDANUS LIMITED	Final	Registered
AKARU EP32 LIMITED	Final	Registered
AE EXPLORATION HOLDINGS (PTY) LTD	Draft	Pending
NBGD LIMITED	Draft	Pending
ROYAL BHEJANE (RF) LTD	Draft	Pending
WESTBROOK YIELD PLUS PLC	Draft	Pending

Corporate Governance, Surveillance and Enforcement

Quarter 1

There has been an increase in the number of complaints received with regards to directors who resigned from companies, yet those companies failed to update their director registries, which is in contravention of section 70 (6) of the Companies Act. Section 70 (6) of the Companies Act requires every company to file a notice of change within 10 business days after a person ceases to be a director of the company.

Further, there was a rise in the number of unauthorized removals of directors, as well as an increase in number of cases where various types of misconduct have been reported by the Board of directors, specifically pertaining Non-Profit Companies and Homeowners Associations.

Table 11: Types of contraventions on the complaints received in Q1.

Types of contraventions	Number
Sec 70(6) Resigned as director, failure to update records	17
Sec 76 Directors misconduct	13
Unauthorised removal of director	13
Sec 26 Access to company records	9
Unauthorised appointment of director	8
Unauthorised changes of a member	5
Sec 214 False information filed	2
Sec 22 Reckless trading	2
Sec 15 Inconsistent with the MOI	2
Sec 86 Company Secretary not appointed	1
Sec 30 Financial Statements not prepared	1
Company records not updated	1
Grand Total	74

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

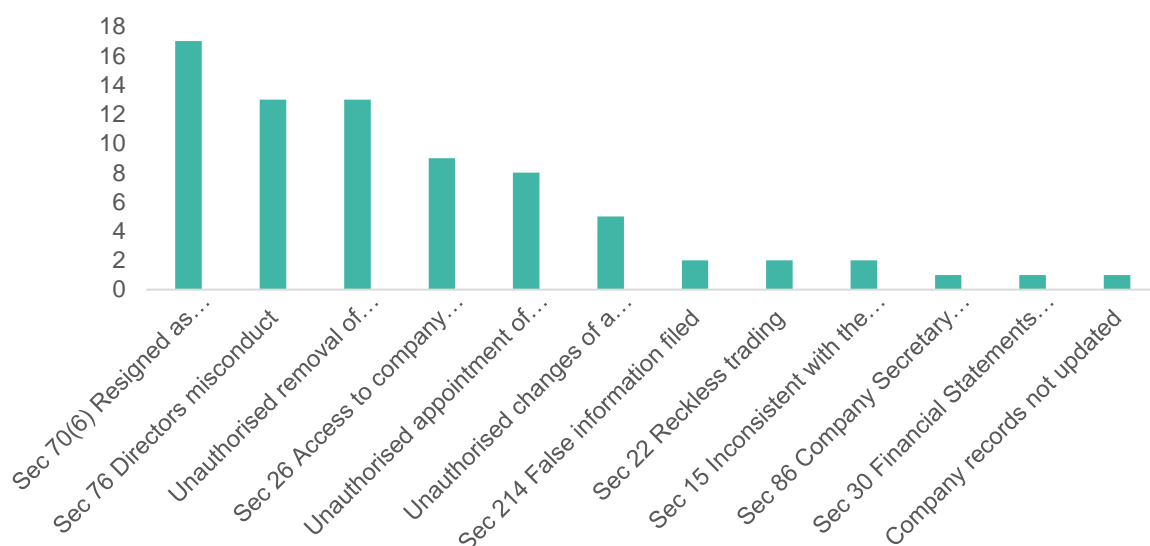


Table 12: Statistics on enforcement of Compliance Notices

	Q1	Q2	Q3	Q4
Opening balance	27			
Order granted	-			
Settlement order/offer	-			
Opposed	-			

The State Attorney's office currently has 13 matters before it which were handed over in the previous financial year. Consequently, to date, no matters have been placed on the court roll, nor have we received any settlement offers.

Court Matters

Based on a High Court application brought by the CIPC, Mr. Zwane was declared a delinquent director for a period of 7 years from August 2019. He attempted to suspend the remaining period of the delinquency sentence by approaching the High Court Pretoria, which the CIPC opposed. In June 2023, the High Court in Pretoria ruled in the CIPC's favour and dismissed Mr. Zwane's application. Mr. Zwane, subsequently has since approached the Constitutional Court to appeal the High Court order. The CIPC opposes this application.

Pro-active Investigations

In the current financial year, the Corporate Governance and Surveillance Enforcement Unit directed its attention to non-compliance of state-owned companies (SOC), specifically non-compliance of section 61 (7) (b) of the Companies Act.

SOCs are required to hold annual general meetings every year, not more than 15 months after the date of the previous annual general meeting, or on good cause shown within any extended time allowed by the Companies Tribunal. Although SOC's have the latitude to make this application to the Companies Tribunal, it is also an indication of a lack of good corporate governance.

An analysis was done on SOC's that made applications to the Companies Tribunal in terms of section 61 (7) (b) of the Companies Act. For instance, entities such as Air Chefs SOC Ltd has, for the past eight years since 2016, made an application to the Companies Tribunal to postpone holding an AGM. Even though the company was granted an extension to hold its AGM on a particular date via the Companies Tribunal, the board of directors never adhered to holding the AGM, such that their last AGM was held on the 28th of March 2018 (5 years ago).

Another SOC that has become a regular applicant to the Companies Tribunal is South African Airways SOC Ltd, as seen illustrated by the decisions published by the Companies Tribunal. This was due to number of issues that have occurred at the company, such as financial instability, Covid-19 lockdowns, failure to prepare and finalize annual financial statements (AFS) and, thereafter, business rescue. Consequently, the dire situation at the South African Airways SOC Ltd affected its related entities such as SAA Technical SOC Ltd.

South African Post Office SOC Ltd (SAPO), on the other hand, as much as it has not been a regular applicant to the Companies Tribunal, only recently made an application to defer its AGM, which was granted in March 2022. SAPO also faced challenges of financial instability which has since resulted in the entity being placed under provisional liquidation.

Similar challenges seem to confront Denel SOC Ltd. Denel SOC Ltd was observed to have made applications to the Companies Tribunal to postpone holding its AGM for three consecutive years since 2021.

Alexcor SOC Ltd, as revealed by Companies Tribunal decisions published publicly, made no application to the Companies Tribunal to postpone / extend holding its AGM, while it was discovered that Alexcor SOC had no official board of directors between 2019 and 2022, established no board committees during that time, did not conduct internal auditing, nor was their AFS prepared and submitted.

The main purpose behind AGMs being held annually is to present the AFS to the shareholders. If that is not achieved, this indicates a lack of good corporate governance on the part of the board of directors.

IP Enforcement

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

2.1.4. Education and Awareness

Corporate Education and Voluntary Compliance

Quarter 1

The unit participated in eight events and two webinars on invite during the period under review. The unit also hosted four virtual webinars.

On the 21st of April 2023, the unit participated in a Deputy Minister Outreach event in Kuruman in the John Taolo Gaetsewe District in the Northern Cape.

On 19th of May 2023 the unit participated in a Presidential Imbizo at Paarl in the Cape Winelands District in the Western Cape.

The unit also participated in a Deputy Minister Outreach event on the 15th of June 2023 in uMfolozi, in the King Cetshwayo District in KZN.

Due to many businesses not being able to distinguish between CIPC annual returns and SARS tax returns, the unit hosted a webinar on the 25th of May 2023 on CIPC Annual Returns and SARS Tax Compliance.

Finally, a webinar was also hosted on the 13th of June 2023 on Beneficial Ownership, which included 10 NPA prosecutors that attended the webinar.

We managed to resolve issues on the Learn-i-Biz course and we since seen an increase in the number of people enrolling for the course.

IP Education and Awareness

Quarter 1

During the current reporting period, the IP Education and Awareness unit hosted fifteen (15) IP education and awareness sessions. Further, the unit signed a Memorandum of Understanding (MOU) with the Durban Film Office (DFO), a partnership initiative that will benefit the film sector.

Additional IP education and awareness sessions were focused on high schools, particularly preparing learners for participating in the WIPO SA IP Summer School, as well as the 2023 Technology Transfer event. High school learners participate in various events, including a competition, hence preparing high school learners was deemed critical.

2.1.5. Customer Contact: Call Centre, QRS, and social media etc.

Client Engagement and E-communication

The table below demonstrates the overall performance of the CIPC's customer contact platforms.

Table 13: Customer Contact: Call Centre, QRS, and social media

Platform	Number	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Call Centre	Calls received	57 833			
	Calls answered	35 759			
	Calls abandoned	21 953			
	Lost calls	121			
	% calls answered	62%			
Query Resolution System	Queries received	39 987			
	Queries closed	39 903			
	Queries closed within 10 days	91%			
Facebook	Queries received	12 450			
	Queries resolved (%)	8 719 (70%)			
Twitter	Queries received	1 725			
	Queries resolved (%)	1 158 (67%)			

Quarter 1

The number of calls answered by the call centre is increasing year on year. The Call Centre answered 35759 calls during Quarter 1. This is an increase of 2126 calls answered for the quarter in comparison to Quarter 1 of 2022/23.

Customers logged 39 903 tickets during Quarter 1 of the financial year on the Query Resolution system. This is a slight decrease of 581 tickets in the first quarter of 2022/23 financial year. 91% of tickets received were closed within the 10 days turnaround time. Social media queries received during the reporting period aggregated to 12 450, and 8 719 queries were resolved, i.e., 70% of the received queries. The queries through Twitter amounted to 1 725 messages, of which 1 158 (67%) queries were responded. 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 4h17m, and Twitter was 5h56m. It shall be noted

that the response from the middle of May to June are estimated, as access to the social media management tool was terminated and subsequent responses to Facebook and Twitter queries were administered manually. Procurement of the new social media tool is currently underway.

Service Centres

Quarter 1

Table 14: Self Service Centers' (Pretoria, Johannesburg, and Cape Town) Traffic - Q1

Quarter 1				
	Pretoria	Johannesburg	Cape Town	Total
Company Registrations	9	1 617	447	3 047
Create Customer Codes	894	1 363	459	2 716
Re-set Password	1 169	976	1 273	3 418
Name Reservations	0	216	494	710
Annual Returns	2 706	3 980	774	7 460
IP	483	157	56	696
Director Amendments	452	472	103	1 027
Member Amendments	0	24	33	57
Auditor & ACC Officers	0	0	0	0
CO & CC address	86	238	49	373
Cert and Disc	1 250	1 238	973	3 461
Ent Enquiry	1 529	1 590	1 095	4 214
Name Change	65	153	42	260
Name Transfer	0	5	1 013	1 018
Customer Transactions	1 417	0	41	1 458
General/Other	1 697	1 708	792	4 197
Walk-in's	12 671	13 741	7 676	34 088

2.1.6. Disclosure

Table 15: Paper-based Disclosure Billing Production Statistics

Description	Q1	Q2	Q3	Q4
Disclosure Request received	4 099			
Disclosure request completed	3 951			
Outstanding tickets	236			
Disclosure request billed	2 951			

Table 16: State Department

Description	Q1	Q2	Q3	Q4
Disclosure Request Received	2 056			
Disclosure Requests completed	2 040			
Duplicate requests	14			
Outstanding	7			

Table 17: Disclosure Query Resolution

	Closed within TAT	Closed outside TAT	Total tickets closed for the quarter	%Inside TAT	% outside TAT	Average TAT
Q1	3 537	519	4 056	87%	13%	8,1 days
Q2						
Q3						
Q4						

2.1.7. Modernisation, Automation and Channels

CIPC channels include the e-services website, self-service centres (SSCs), partner sites hosting self-service terminals (SSTs), the BizPortal (which includes FNB, Nedbank, Standard Bank, ABSA, and SASFIN), the Mobile App, the customer call center, the query resolution system (QRS), and social media platforms (Facebook, Twitter, YouTube and Telegram).

The CIPC's multi-channel strategy seeks to extend the CIPC's footprint both nationally and globally through the development and expansion of multiple customer contact channels, primarily virtual channels.

Table 18: 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
Patent applications	Yes	No	No	No
Design applications	Yes	No	No	No
Copyright in film applications	Yes	No	No	No
Trade Mark applications	Yes	No	No	No
Name reservations	Yes	Yes	Yes	Yes
Company registrations	Yes	Yes	Private company registration only	Yes
Co-operative 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	No	No	No
Name changes	Yes	Yes	No	Yes
Address changes	Yes	Yes	No	Yes
Financial Year End Changes	Yes	No	No	No

Services/Channels	E-service Website	SSCs Partner (SSTs)	and Sites	Banks (FNB, Nedbank, ABSA)	BIZPORTAL
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
Name transfer	Yes	Yes			

The table below depicts CIPC partner sites where self-service terminals (SSTs) are hosted:

Table 19: Partner sites

Province	Partner
Gauteng	City of Johannesburg Metropolitan Municipality represented by its Executive Director: economic Development Department
Gauteng	Transnet Enterprise Development Hub (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)
Free State	Free State Development Corporation (FDC)
Western Cape	West Coast Business Development Centre (WCBDC)
Northern Cape	Northern Cape Department of Economic Development and Tourism (NDEDT)
Limpopo	Limpopo Economic Development Agency (LEDA)
Mpumalanga	Mpumalanga Department of Economic development and Tourism (MDEDT)

The multi-channel strategy is geared towards availing CIPC products and services to citizens / customers on a 24/7 basis. The table below depicts CIPC channels and services available on a 24/7 basis.

Table 20: Channels and Services Available 24/7

Channels available 24/7	Services available 24/7 per channel
<p>1. CIPC Website</p>	<ul style="list-style-type: none"> • Company registration • Company name reservation • Company and close corporation address changes • Company and close corporation financial year end changes • Company name change • Company shares change • Annual Returns • Domain name registrations • BB-BEE certificate • XBRL Filing • Director amendment • Member amendment • Name transfer • Disclosure certificate • Auditor changes • Enterprise enquiry • MOI documents
<p>2. CIPC Mobile App</p>	<ul style="list-style-type: none"> • Company registration • Company name reservation • Annual Returns • BB-BEE certificate • Booking • Disclosure Certificates • Shopping Cart
<p>3. BizPortal & Banks</p>	<ul style="list-style-type: none"> • 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
<p>4. SSTs (8hrs Monday to Friday)</p>	<ul style="list-style-type: none"> • Company Registration • Company name Reservation • Company and close corporation address changes • BBBEE Certificates • Annual Returns • Amend Company Director Details • Amend CC Member Details • Certificates and Disclosures • Enterprise Enquiry • Name Changes • Customer Transactions • Name Transfer • Domain Registration

Channels available 24/7	Services available 24/7 per channel
<p>5. Emails</p>	<ul style="list-style-type: none"> • 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 • Corporate Legal Filing – all corporate legal matters and enquiries.

2.2. Organizational Environment

2.2.1. Governance, Compliance and Risk

See Section 4 of this document.

2.2.2. Investigations and Anti-corruption

See Section 4 of this document.

2.2.3. Industrial / Labour Relations Issues

Table 21: Labour Relations Issues

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Misconduct cases under investigation	1			
Misconduct cases at a disciplinary hearing stage	5			
Warnings	4			
Grievances finalised	1			
Labour disputes at CCMA	1			
Labour disputes at GPSSBC	1			
Labour disputes at Labour Court stage pending	7			

2.2.4. Appointments, Resignations, Retirements, Terminations

Table 22: Appointments, Resignations, Retirements and Terminations

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Appointments	4			
Resignations	1			
Retirements	1			
Terminations	1			

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

Loss Control Policy

The policy was presented to MANCO. The unit was, subsequently, referred back to finance for engagement on the possibility of incorporating the two policies (i.e., Fixed Assets & Loss Control Policy). The meeting between Finance and Facilities & Security resulted in agreement towards reviewing the content of the policies and incorporating what is applicable into each policy. The issue of incorporation was dismissed. A review meeting is scheduled for the 13th of July 2023.

Integrated Security Surveillance and Response

Terms of Reference (ToR) were compiled and presented to BSC for approval. To this end, the ToR was approved and a request to go out on tender has been submitted.

Compliance to MISS and PFMA (Reception Security Upgrade)

The project is implemented through the PPP Agreement under the management of Broll. Bid invites were sent out to prospective service providers and a compulsory briefing session was held on the 7th of June 2023 with the bid window closing on the 19th of June 2023.

Currently, the procurement process is in the evaluation stage with the Cross Functional Evaluation Team (CFET) finalising the process. According to the project plan presented by Broll, the purchase order is expected to be issued on the 13th of July 2023, and project execution is to commence on the 24th of July 2023.

Appointment of Security Guarding Service (Pretoria SSC)

Terms of reference (ToR) were compiled and presented to BSC for approval. To this end, the unit is awaiting approval of the ToR.

Appointment of Security Guarding Service (Cape Town SSC)

Terms of reference (ToR) were compiled and presented to BSC for approval. To this end, the unit is awaiting approval of the ToR.

Facilities Management (New Lease Pretoria SSC)

Terms of reference (ToR) were compiled and presented to BSC for approval. To this end, the ToR was approved, while the unit is currently awaiting signed minutes to finalise the request to go out on tender.

Appointment of Security Guard Service provider (Johannesburg)

The procurement process has been finalised and the company Manet Security Services was appointed to render (12) twelve months' worth of security guarding services, effective from the 5th of August 2023, amounting to **R826 070.00** (VAT inclusive).

Address Internal Audit Findings

The process of addressing internal audit findings is ongoing with Broll introducing a call system which acknowledges and gives feedback on the status of calls logged. Further, their system comes with a satisfaction survey which is conducted regularly to address under performance.

Furthermore, a service provider performance management system, designed to manage the performance of cleaning service providers in the SSCs, will be introduced from the 31st of July 2023.

Katanga Parking Service

The procurement process is planned for July 2023.

2.2.8. 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 releases were issued regarding the following issues/highlights:

Beneficial Ownership Register

The CIPC announced its plan to establish and implement a Beneficial Ownership (BO) register to be released upon approval of the Regulations, pursuant to the commencement of the General Laws Amendment Act, 2022, that was signed into law by the President of the Republic of South Africa on 29 December 2022.

CIPC Participates in the S.A. Investment Conference

The Companies and Intellectual Property Commission (CIPC), responsible for company registrations and the protection of Intellectual Property participated in the annual S.A. Investment Conference. The CIPC received broadcast (TV) media coverage.

The Celebration of World Intellectual Property Day on the 26th of April 2023

The CIPC, NIPMO, the dtic, DSI, the Nelson Mandela University (NMU), TIA and SEDA hosts the World Intellectual Property Day on the 26th of April 2022 celebrations. The CIPC conducted a media campaign focusing on education and awareness of IP on 11 national radio stations and Eastern Cape community radio stations, conducted in each of the 11 official languages. CIPC also received coverage on ENCA and SABC News.

April media coverage

In April 2023, the Companies and Intellectual Property Commission generated 147 traditional media items with a combined advertising value equivalent (AVE) of R8 919 223 and an estimated reach of 11 541 395.

- Print media generated 27 articles (18%), Broadcast 7 clips (5%) and Online 113 articles (77%).
- Of these, 28% (41 items) were positive, 70% (103) were neutral, and 2% (3) were negative.
- Social Media generated 1 56 items with a combined advertising value equivalent (AVE) of R4 699 062 and an estimated reach of 5 240 398.
- Of these items 21% (221 clips) were positive, 70% (737) were neutral and 9% (98) were negative.

Prominent coverage highlights were:

- How the latest Companies Act amendments affect your business

- A register for beneficial owners: new obligations for shareholders
- Public needs to be educated about how co-ops operate
- Summit empowers SMMEs at the Rand Show
- Financial Intelligence Centre establishes forensic unit to fight crime in wake of grey listing.

The screenshot displays a social media feed with four news items. Each item includes a thumbnail image, a headline, a short text snippet, and metadata such as date, time, and engagement statistics.

- Item 1:** Headline: "Business directory offers huge benefits". Snippet: "Craven and a...". Metadata: 2023-04-28 17:56:11. Engagement: North Coast Courier, Print, AVE: R21331, Reach: 29893, Neutral, Mentioned.
- Item 2:** Headline: "Comply with the Property Practitioner's Act to avoid a R15 000 fine". Snippet: "...Practically, according to the Act, this means the following: Property practitioners should display their legal names registered at CIPRO and not trade names to avoid public confusion and that of the franchisor and ...". Metadata: 2023-04-28 13:19:41. Engagement: Property Professional, Online, News, AVE: R3577, Reach: 1570, Neutral, Mentioned.
- Item 3:** Headline: "How the latest Companies Act amendments affect your business". Snippet: "...owners/controllers These records must be filed with the Companies and Intellectual Property Commission (CIPC) and will be publicly available (subject to some limitations) and An expansion of the grounds ...". Metadata: 2023-04-28 11:25:23.
- Item 4:** Headline: "Fighting from the trenches: is there a benefit to South Africa's grey listing?". Snippet: "...owner registers, a company also has to file the prescribed beneficial ownership information with the Companies and Intellectual Property Commission (CIPC) on a prescribed form and provide the prescribed information. ...". Metadata: 2023-04-28 07:52:40. Engagement: Turnaround Talk, Online, News, AVE: R2050, Reach: 100, Neutral, Mentioned.

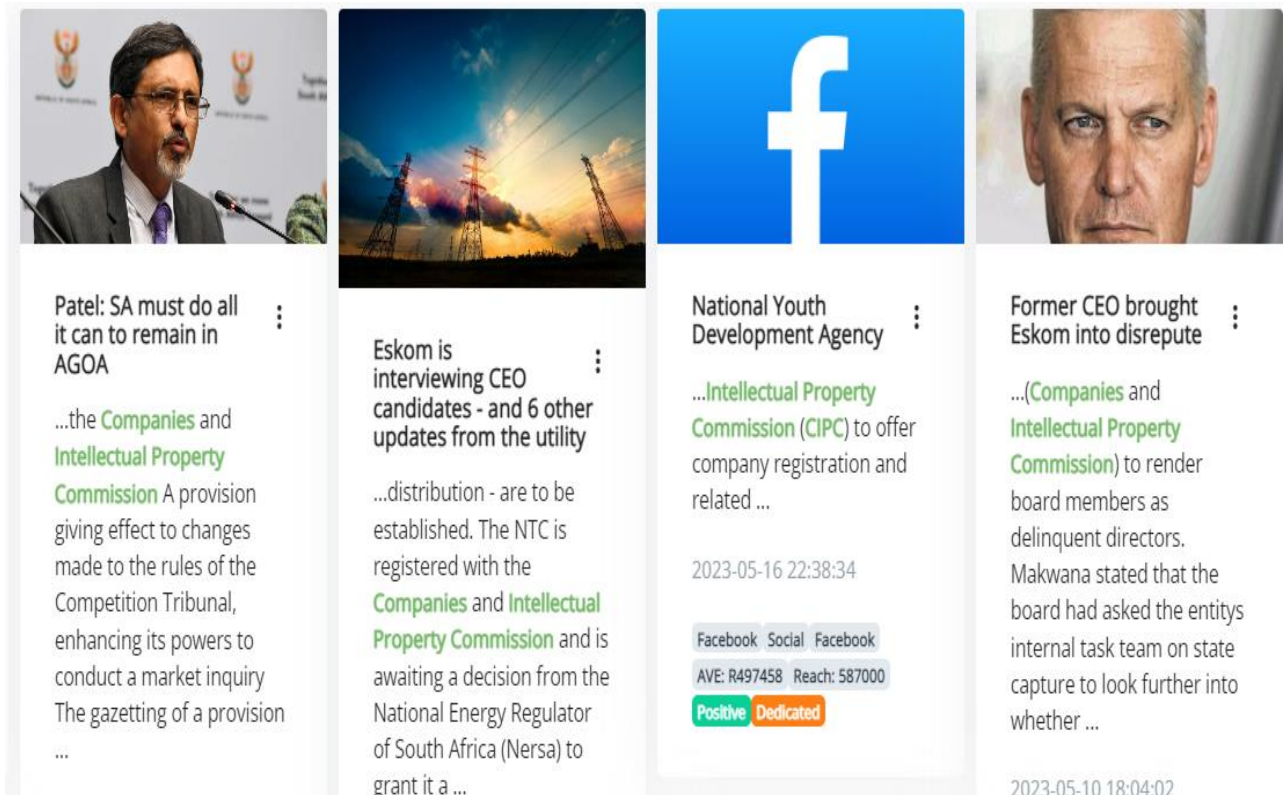
May media coverage

- In May 2023, the Companies and Intellectual Property Commission generated 111 traditional media items with a combined advertising value equivalent (AVE) of R4 220 303 and an estimated reach of 2 708 044.
- Print media generated 17 articles (15%) and Online 94 articles (85%).
- Of these, 4% (4 items) were positive, 94% (88) were neutral, and 2% (2) were negative.
- Social Media generated 905 items with a combined advertising value equivalent (AVE) of R4 191 351 and an estimated reach of 7 599 072.
- Of these items 21% (194 clips) were positive, 69% (672) were neutral and 10% (89) were negative.

Prominent coverage highlights were:

- Legal action against use of registered trademarks

- CIPC Reporting Requirements Update - Who is the beneficial owner?
- Companies Amendment Regulations in Place
- Patel: SA must do all it can to remain in AGOA
- Board member's abandoned farm business soaked up R4.6m in lottery funds
- Former CEO brought Eskom into disrepute



It must be noted that the tracked AVE does not cover the publicity generated on traditional and social media in the June month. A new media monitoring service provider is in the process of being appointed, to commence in July. Therefore, this report does not reflect media coverage in June.

2.2.9. New challenges and risks identified in the quarter.

Quarter 1

Expiry of contract / contract negotiations

The contract negotiations with the service provider to procure the social media management tool were not successful, and the e-Engagement Unit was left without the required tool to manage social media activity from mid-May 2023. This has impacted heavily on proper monitoring of social media activities. The Unit is currently monitoring and responding to social media queries manually. A new service provider will be appointed in due course.

Eskom Load-Shedding

During hosting of webinars, load-shedding continues to make it difficult for attendees to log on.

2.3. New Policy and Legislative Changes

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

Quarter 1

The General Laws Amendment Act, 22 of 2022 resulted in certain Companies Act amendments in relation to beneficial ownership. As a result, new Companies Act Regulations were issued by the Minister of the dtic on the 24th of May 2023, which mandate the CIPC to collect beneficial ownership information, enforce compliance and provide accurate and up to date access to BO-data to Law Enforcement Agencies, regulatory authorities and accredited bodies.

3. Performance against the APP

3.1. Progress made against unachieved targets in the previous quarter.

3.1.1. Programme 1: Service Delivery and Access

N/A

3.1.2. Programme 2: Innovation & Creativity Promotion

N/A

3.1.3. Programme 3: Business Regulation and Reputation

N/A

3.2. Progress made against current Quarterly Milestones.

3.2.1. Programme 1: Service Delivery and Access

Table 23: Programme 1 Performance Table

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Impact Statement #1: A world-class modern regulator							
Implementation of the skills development programme aligned to the CIPC Strategy	Progress Report on the Implementation of the Skills Development Programme	Skills audit analysis	Phase 1 Skills Development Programme	N/A	N/A	N/A	N/A
Reviewed job descriptions and evaluations to align to the new organisational structure	Progress Report on the Reviewed job descriptions and evaluations	Project plan for JDs and JEs review	Updated JDs and Job Evaluations	Updated JDs and Job Evaluations	JD Template has been completed and Senior Manager (HRD) / CFO descriptions completed	The template was delayed from the Service Provider as the contract lapsed during the process	The JD Template will be shared with Line Managers to populate
A governed, accountable, clean, and compliant administration enabling improvement in operational efficiency and better service delivery	AG Audit Outcome	Clean Audit	Clean audit	N/A	N/A	N/A	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Gathering of enhanced insights for improving customer / citizen experiences and satisfaction	% overall customer and stakeholder satisfaction	8 (equivalent to 80%)	Not measured	N/A	N/A	N/A	N/A
Case studies of firms, workers, entrepreneurs, professionals, or communities impacted by CIPC activities	Number of Case Studies demonstrating the impact of CIPC activities on business and society	New indicator	30	N/A	N/A	N/A	N/A
Business Forums participated in aimed at supporting increased FDI, exports and outward investment	Number of Business Forums participated in	New indicator	4	N/A	N/A	N/A	N/A

3.2.2. Programme 2: Innovation & Creativity Promotion

Table 24: Programme 2 Performance Table

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Impact Statement #1: A world-class modern regulator							
Implementation of Experiential Learning Project (ELP) with the SSE team	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	24	24	6	6	N/A	N/A
	Number of SSE training initiatives	4	4	1	2	Training needed to be separated into two separate sessions to accommodate two different technological fields	N/A
Sustainable job creation through implementation of Experiential Learning Project (ELP) via the SSE programme	Number of new sustainable permanent jobs created through implementation of the Experiential Learning Project (ELP) of the SSE Programme	-	20	N/A	N/A	N/A	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
SSE Internship Programme	Number of new interns employed biennially through implementation of the Experiential Learning Project (ELP) via the SSE Programme	0	20	N/A	N/A	N/A	N/A
Inventor Assistance Programme (IAP) implemented	Number of IAP Review Committee meetings to screen applications	4	4	1	2	A second meeting was held to re-evaluate two applications	N/A
	Annual Status Report: tracking the status of paired applications to ascertain whether the applications resulted in granted, enforced, licensing or commercialised inventions and to make recommendations for reconceptualization of the program if there is a need.	1	1	N/A	N/A	N/A	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Impact Statement #3: Investor confidence in SA businesses and innovations							
Compliance with Regulations by Accredited Collecting Societies	Annual audit report on promoting compliance with regulations by Collecting Societies conducted by the CIPC	1	1	N/A	N/A	N/A	N/A
Efficient and Effective collection and distribution of royalties for the benefit of local musicians	Rm Royalties distributed by Collecting Societies to local musicians for poverty alleviation, job creation, social security, and promotion of the creative industries	New Indicator	R100m	N/A	N/A	N/A	N/A
Increase IP regulatory compliance monitoring capacity within Law Enforcement to enhance their capacity to deal with IP Crimes with the goal of creating a conducive environment for investment	IP Enforcement Operations Report which specifies the impact on jobs and the investment environment	1	1	N/A	N/A	N/A	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Conferences, Summits, and International Forums hosted or participated in (including inter alia the SA Investment Conference, the Black Industrialist Conference, the Worker Ownership Summit, BRICS Ministerial meetings, BRICS Business Council meetings and AGOA Forum meetings)	Number of Conferences, Summits and International Forums hosted or participated in	New indicator	3	1	1	N/A	N/A

3.2.3. Programme 3: Business Regulation and Reputation

Table 25: Programme 3 Performance Table

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Impact statement #2: Ease of doing business							
Reduction in the average number of days to register a company, from the date of receipt of a complete application, to support SMME's and to enhance efficiency and effectiveness	The average number of business days (network days) to approve applications for registering an external company, private company with customized MOI, Incorporated Company, State Owned Company, Public Company and Not for Profit companies with customized MOI (CoR15.1D and E) by automating and assuring directors of foreign nationality.	5	4	4	3,7	N/A	Automation will only occur at the end of Q2

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Capacity building through institutional capabilities	Implementation of the CIPC Learning Academy	Steering Committee in place; Conceptual Framework in place; Nominated WIPO Project Manager (IP)	Approved RFP for the development of the CIPC Learning Academy Business Case	Advertise the Tender	Based on instructions from the Commissioner, an RFQ process was followed, sent to the market as opposed to an RFP as the Commissioner was of the view that the work required doesn't warrant a tender proposal	No interest was shown by the market when advertising an RFP, hence a different approach was followed.	An effort was made to identify the possibility of partnering with the Business School of Government. The first meeting was held and we are about to define the ToR as per EXCO's guidance
Increased awareness among SMME's, including outside of metro areas, of company laws, regulations, as well as CIPC services, processes, and channels	Corporate education and awareness events or workshops (virtual or physical) conducted by the CIPC, also in collaboration with partners, for the benefit of SMME's including those outside of main metros	40	30	10	14	High number of invites received	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Reputable business regulation environment (strengthened financial system and ownership transparency) to address South Africa's 'Grey list' status.	Progress Report on the establishment of a Beneficial Business Ownership Register and the Integrated Business Ownership Register	Approved Business Case	Beneficial Ownership register establishment (Phase 1)	Conclude Gap Analysis Report on processes and systems to enable integration	Concluded Gap Analysis Report on processes and systems to enable integration	N/A	N/A
Impact Statement #3: Investor confidence in SA businesses and innovations							
Pro-active Investigations in response to contraventions of Companies Act No 71 of 2008 on Companies identified on State Capture Commission Report	Number of Pro-Active Investigations in response to contraventions of the Companies Act No 71 of 2008 by Companies identified in the State Capture Report	3	6	1	4	CIPC has collaborated with law enforcement agencies, the Department of Public Enterprise and related State-Owned Entities. It is unknown beforehand how many cases may be requested of CIPC to investigate/pursue. A pro-active investigation analysis report on State Capture cases was done.	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Targeted proactive pre-investigations	Number of targeted proactive pre-investigations	5	4	1	5	The target was surpassed due to our focused approach using intelligence/information received from the Companies Tribunal. A pro-active investigation analysis report on AGM non-compliance was done.	The CGSE team plan to work on a blueprint on pro-active investigations initiatives specifically on gathering, collating and analysing intelligence /information on non-compliance trends of the Companies Act with aim of improving and monitoring proper compliance. This will, in future, inform the Compliance and Enforcement Strategy.
Quarterly Report on Tracked Capital Raised through IPOs to promote regular tracking of investments	Quarterly Prospectus Report which captures tracking of investments and their impact on society, as well as the impact of investment facilitation and unblocking interventions (Quarterly monitoring and Annual Reporting of Capital Raised)	New Indicator	1	1	1	N/A	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2023/2024	1st Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Incorporate ESG Taxonomy into our CIPC Base Taxonomy as an initiative to address climate change	Updated CIPC XBRL Taxonomy aligned with government initiatives to address climate change (Gap Analysis Report on adoption of ESG)	New Indicator	1	N/A	N/A	N/A	N/A
Conclude MoU's on data exchange with foreign jurisdictions	Conclude MOU's which facilitate data sharing between jurisdictions on company Directors, Shareholders and BO's	New Indicator	3	N/A	N/A	N/A	N/A
Automation of Director Amendments Platform to build on capabilities for combating Fraud	Progress report on automation of the Director Amendments Platform	New Indicator	1	N/A	N/A	N/A	N/A
Participation in Parliamentary consultation processes pertaining amendment, tabling, or submission of priority legislation	Number of Parliamentary consultation processes, pertaining amendment, tabling, or submission of priority legislation, participated in	New Indicator	1	1	1 (Extensive participation in the consultation and drafting process for Companies Amendment Regulations (Beneficial Ownership). Companies Act Amendment Regulations approved by Minister of dtic on 24 th of May 2023.)	N/A	Participation in consultation and drafting of Companies Amendment Bill (to be approved) Regulations.

4. Governance, Risk and Compliance Quarter 1 Report

4.1. Purpose

This section provides a summary of the work carried out by the Governance, Risk and Compliance (GRC) division during Quarter 1 of the 2023/2024 financial year.

4.2. Highlights

4.2.1. Summary of achievements for the quarter:

- Fraud Prevention awareness was conducted at the Rand Show.
- Declaration of Interest awareness sessions were conducted.
- Review of the Declaration of Interest Policy was conducted.
- Four interns were appointed to augment capacity.

4.2.2. Matters for recommendation/approval

None

4.3. Governance and Ethics

4.3.1. Implementation of the Governance Framework

Implementation of the Framework is ongoing. An assessment of [] on the responsibilities, authority and functions of the various committees is underway, this will include the effectiveness of each structure. The aim is to identify and address gaps and minimise duplications where applicable.

4.3.2. Ethics

The review of the Declaration of Interest Policy was conducted. This revised policy includes the management of gifts which was previously addressed in a separate policy. Implementation will commence after consultation and approval by various governance structures. Awareness sessions on the declaration of interest policy and the code of conduct and ethics of the organisation were conducted in response to the recommendations of the verification exercise and the ethics plan.

4.3.3. Declaration of Interest

The declaration of interest form has been amended to take into consideration aspects which were not previously included. In addition to the awareness sessions conducted in May 2023, a

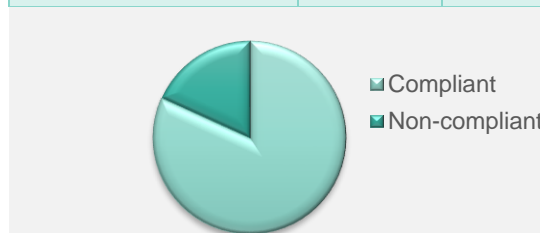
report on frequently asked questions emanating from the sessions was compiled for future reference.

As of the 31st of June, 82% of declaration forms had been submitted. This a significant improvement compared to the 69% recorded in same period of the past financial year.

A high-level assessment of declaration forms indicate that 20% of employees hold directorships in other entities. It must be noted that the CIPC policies do not prevent employees from holding interest in other entities. However, considering the Telecommuting Policy being implemented more effort is required to manage this risk. The result of the analysis therefore serves as a tool which managers could use to manage potential issue which could arise.

The process to verify information submitted by all employees will be conducted in Q2.

Status of compliance as of the 30 th of June 2023	Employees	%
Compliant	372	82%
Non-compliant	82	18%
Total	454	100%



Category of declaration	# of staff
Directorship and partnership non-remunerated	89
Directorship and partnership remunerated	07
Trusts	04

4.4. Status of Policies as of 30 June 2023

Table 26: Status of Policies (Q1, FY2023/24)

Comparison	No of policies	Up to date	Due for review	New Policies	In progress
Division	No of policies	Up to date	Due for review	New policies	In progress
HR	16	7	5	1	3
BISG	11	8	2	1	0
Finance	8	7	1	0	0
Facilities and security	4	2	0	0	2
Client engagement	1	1	0	0	0
GRC	7	7	0	0	0
Strategy	4	2	0	2	0
Total	51	34	8	4	5

The following policies are due for review:

Table 27: Policies for Review

Human Capital	BISG	FINANCE
<ul style="list-style-type: none"> Employee Health and Wellness Internship policy Disciplinary Policy and procedure Sports and Recreation Policy Voluntary Early Retirement Policy 	<ul style="list-style-type: none"> IT Backup Management Policy CT Project Management Policy, Methodology 	<ul style="list-style-type: none"> Payroll Administrative Policy

4.5. Risk Management

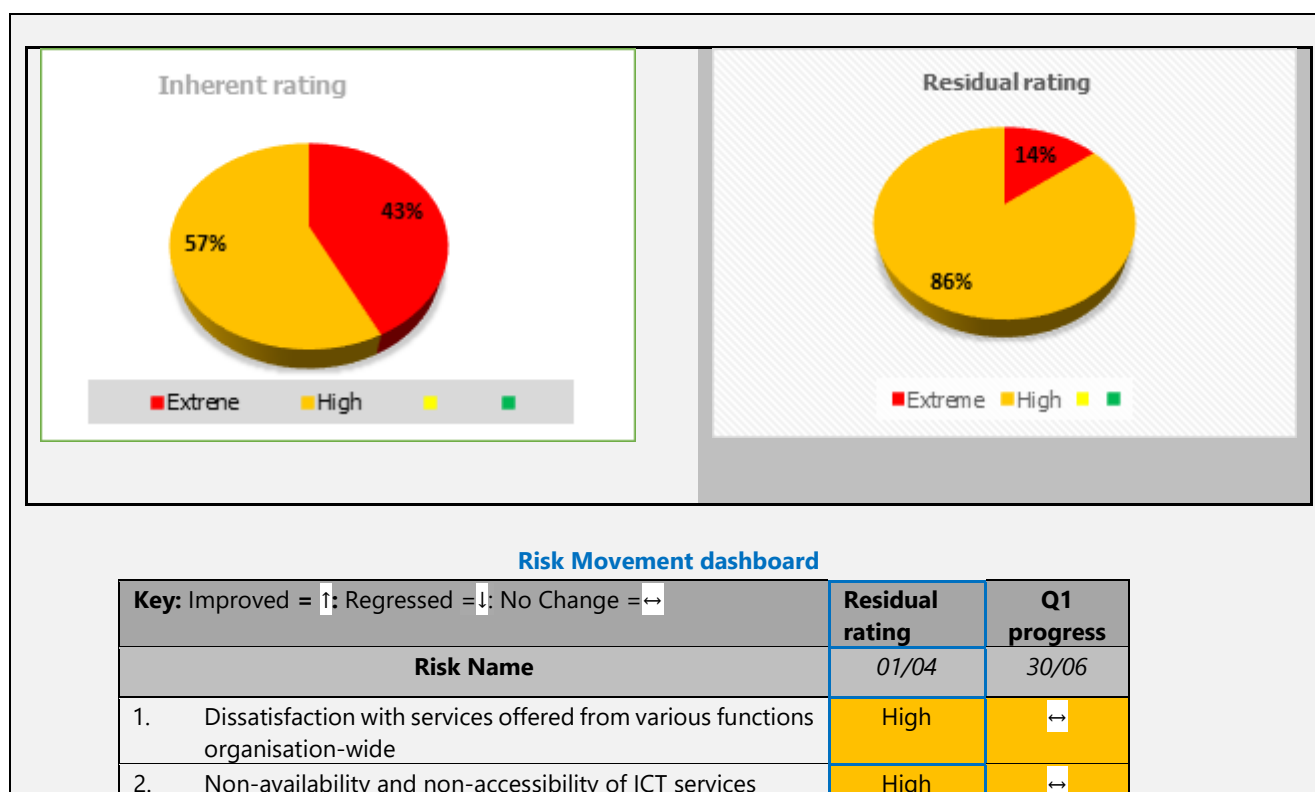
4.5.1. Overview

This section provides progress on the management of strategic risks during the reporting period. Implementation of strategic mitigating actions for Quarter 1 is summarised under section 5.2 below.

4.5.2. Strategic Risk Dashboard

The strategic risk dashboard below provides a summary of strategic risk ratings as of the 30th of June 2023.

Figure 12: Strategic Risk Dashboard



3.	Non-professional organisational culture	High	↔
4.	Non-optimal organisational performance	High	↔
5.	Non-compliance and pro-longed approval of legislation	High	↔
6.	Organisational structure deficiencies	Extreme	↔
7.	Technology shortfalls in enabling effective third-party collaboration	High	↔

Risk indicator summary dashboard				
# of risk indicators	Q1 indicator outcome			
	😊 = well managed	😐 = partially managed	☹️ = Mitigations may be ineffective	Not measured during the period.
26	24	1	0	1
100%	92%	4%	0%	4%

The residual rating improved in comparison with the inherent rating at the beginning of the period. It is worth noting that the strategic risk register was reviewed and approved in January 2023 resulting in the reduction of the number of risks. Some risks were consolidated and some rephrased. Compared to the previous risk register, the new revised register comprises of seven risks as opposed to 14. Monitoring of mitigation continues. Considering that this is the first Quarter of the financial year, most mitigation actions and initiatives are still in their infancy and are scheduled for completion and/or implementation in the latter parts of the financial year.

In addition, the risk indicator dashboard shows that the organisation is on track in managing its risks as 92% of the identified indicators fall under the 'well managed' category. In general, the 'well managed' category affirms the commitment by the CIPC to manage risks to an acceptable level.

4.5.3. Emerging Risks

No emerging risks were reported for the Quarter. However, the Executive Committee (ExCo) continuously considers and discusses issues emanating from the internal and external environments which have a potential to impact the achievement of the CIPC strategy with a view to identify emerging risks.

4.6. Progress on Implementation of the Risk and Fraud Plan

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

Table 28: Progress in relation to Planned Activities

Activities	'23/24	Q1	Comments
1. Risk Management			

Activities	'23/24	Q1	Comments
1.1. Risk management plan development and approval	✓		
1.2. Strategic risk register annual review	✓		
1.3. Risk appetite statement and tolerance levels review	✓		
1.4. Operational strategic and operational root cause analysis	✓		
1.5. Quarterly monitoring, review and reporting (strategic and operational risk)	✓	✓	
1.6. Operational risk review for all divisions	✓		
1.7. Develop a third-party management framework	✓		
1.8. Conduct risk management awareness	✓		
1.9. Develop Corporate BCP, testing and rollout	✓	✓	
1.10. Review of BCM Risk register	✓		
2. Fraud Prevention			
2.1. Fraud prevention plan review and approval for 2023/24	✓		
2.2. Fraud Risk Register review	✓	✓	
2.3. Implementation of the ethics plan in line with the ethics framework	✓	✓	
2.4. Fraud data analysis and reporting	✓	✓	
2.5. Fraud awareness and education	✓	✓	
2.6. Facilitate declaration of interest process in line with the approved policies	✓	✓	
2.7. Maintain an effective fraud complaints case database	✓	✓	
2.8. Conduct investigations	✓	✓	
2.9. Quarterly reporting on fraud prevention to relevant governance structures	✓	✓	
<div style="display: flex; justify-content: space-between; font-size: small;"> Complete In progress Not done Not planned for the period </div>			

A total of ten activities were planned for the Quarter, eight of which were completed, resulting in overall performance of 80%. The variance relates to activities which had been started but were not completed.

4.7. 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.

4.7.1. Complaints received

Table 29: Complaints Received (1st of March - 30th of June 2023)

Balance 01/04/23	Adjustment	Adjusted Balance	Calls logged	Feedback Requests	Resolved	Balance 30/06/23
171	107	64	49	(2)	(15)	96

The number of allegations received has been on the rise. This increase presents a challenge against the efforts to reduce the existing backlog. The resolution rate has also increased compared to the previous reporting periods, but the outcome has been eclipsed by the number and complexity of complaints received.

The administration around processing of complaints remains a concern. A strategy which includes utilisation of all resources within the GRC unit is being implemented. Regular engagements are held to discuss progress on the cases and to address challenges. The inability to anticipate incoming volumes, the nature and complexity of allegations remains an issue for any investigation process.

The hybrid model used to allocate resources for complaint handling and investigation is being enhanced. In addition to utilising both internal and external resources initiatives such as secondment of staff from other divisions and appointment of interns is implemented. Four interns have been appointed.

4.7.2. Status of Open Cases

Table 30: Status of Open Cases (30th of June 2023)

Total	Under investigation	Pending investigation
96	(21)	75

The above table shows the status of unresolved complaints at the end of the review period. Investigations into some of the complaints have been started. Of the 96 complaints, 21 were under investigations leaving a total of 75 pending investigation at the time of reporting. The total number of pending investigation represents the backlog.

4.7.3. Summary – Reporting Channels

Table 31: Reporting Channel Utilization

#	Channel	Received Cases
1	Hotline	32
2	Emails	17
Total		49

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

4.7.4. Summary – Nature of Cases

Table 32: Summary of the Nature of Cases, per category

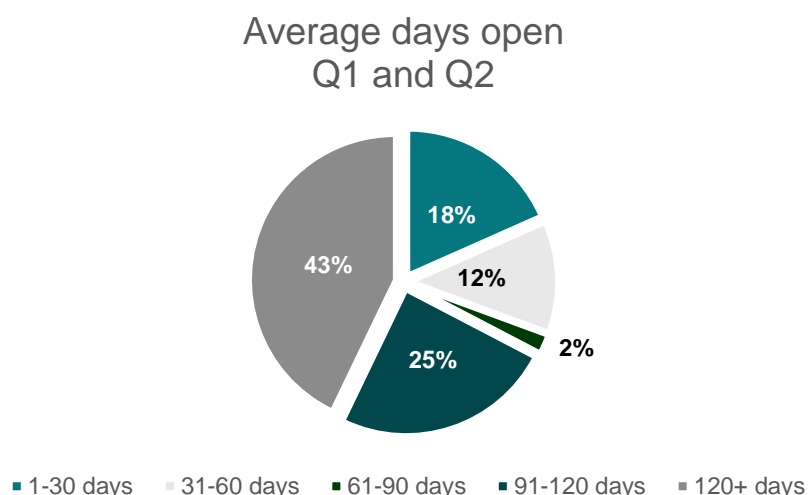
#	Types of cases	Q1	
		No. of Cases	%
1	Fraudulent removal or addition of directors	15	31%
2	Misuse of Clients Accounts	02	4%
3	Fraudulent use of customer details to register a company	07	14%
4	Implicating CIPC employees	00	0%
5	Other: general category	23	47%
6	Other: Feedback request/ additional information	02	4%
Total		49	100%

The table above highlights the categories under which complaints were categorised. As has been the case in the past, the “fraudulent direct changes” category remains the major reason for complaints.

4.7.5 Case Age Analysis

Based on the analysis conducted, it takes 97 days to resolve a matter. Considering capacity constraints, the type and complexity of most complaints, the average resolution period remains a concern. Even though interaction with complaints has improved resulting in the reduction in follow up requests, the resolution rate requires urgent attention. Various interventions have been put in place including close monitoring of resources.

Figure 13: Case Age Analysis



4.8. Compliance Management

4.8.1. Legislative Compliance

Table 33: Compliance Table

Compliance Universe	Total Assessed in Q1	Compliance issues	Violations and penalties
59	20	0	0

The compliance management self-assessment indicates that the CIPC complied with the provisions of the policies considered for assessment.

Reportable Compliance issue – PFMA

In relation to PFMA planning and reporting requirements, the CIPC remains compliant. An issue emanating from the approval of the revised Strategic Plan & APP is brought to management’s attention. This process is beyond the control of the CIPC in that the plans are submitted on time but the sign-off by the executive authority is often delayed. The delay in the approval has been occurring for the past three consecutive years.

4.8.2. Compliance with and Risk Management Policies

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

4.9. Business Continuity Risk Management

The Business Continuity Plan (BCP) was developed for rollout in Quarter 1 after a review to account for possible scenarios and the preparedness of the organisation to deal with each if

they were to occur. The revised technical Business Impact Assessments (BIAs) were considered in addition to the business continuity risk assessment. After finalising the BCP, it became necessary to review the Disaster Management Plan (DMP) following a request by the dtic. This necessitated the alignment of the BCM, the DMP and the Communications Plan. Consequently, the rollout of the BCP had to be delayed. The completion of the revision and alignment process is planned for August 2023 after which the anticipated roll out will commence.

4.10. Challenges and Recommendations

The following remain challenges faced by the GRC Division.

Table 34: Challenges faced by GRC.

No.	Challenge	Solution
1.	Capacity challenges	<ul style="list-style-type: none"> • Two resources seconded from other divisions. • Utilisation of external resources. • Four interns appointed. • Job rotation of staff.
2.	Competency & skills gap	<ul style="list-style-type: none"> • In-house training and rotation of staff • Utilisation of external resources
3.	Inability to anticipate the volume of whistle-blower reports	<ul style="list-style-type: none"> • Implementation of revised strategy • Secondment of resources from other divisions

4.11. Focus for the Next Quarter

- Approval and implementation of the Disaster Management and Business Continuity Plans.
- Verification of Declaration of Interest.
- Fraud risk review.
- Fraud complaints handling process review.
- Fraud data analysis, complaints investigation and reporting.

5. Audit Report

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

5.1.1. Audit Findings Tracking Summary Report for the Quarter Ended 31 March 2023

Purpose of the Report

This report provides a high-level summary of progress made with regards 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 2019/2020, 2020/2021, 2021/2022 and 2022/2023 financial years. Details of progress are contained in the respective registers attached to this report.

Summary of all Unresolved Internal Audit Findings

Audits assignment Involved = 22

Total findings at the beginning of Q4 of 2023/2024 = 60

Total findings resolved/addressed/ Risk accepted = 29

Total findings in progress/Partially addressed = 27

Total findings not addressed = 4

Auditor General Findings 2021/22

Opening findings balance at beginning of Q1 2023/2024 = 13

Resolved in Q1 of 2023/2024 = 1

In progress = 6

Not addressed = 1

Table 35: Audit Assignment Table

Audit Assignment	Q4 2022/2023 opening balance	Addressed and risk accepted in Q1 of 2023/2024	In progress	Not Addressed
AG: Management report findings	8	1	6	1
% Total	100%	12.5%	75%	12.5%

Internal Audit Findings

FY 2019/2020

Table 36: Internal Audit Findings (FY2019/2020)

Audit Assignment	Total outstanding findings at beginning of Q1 2023/2024	Addressed and risk accepted - Total	Partially Addressed	Not Addressed - Total
Disclosure	1	0	1	0
Penetration test	1	0	1	0
TOTAL	2	0	2	0

FY 2020/2021

Table 37: Internal Audit Findings (FY2020/2021)

Audit Assignment	Total outstanding findings at beginning of Q1 2023/2024	Addressed and risk accepted - Total	Partially Addressed	Not Addressed - Total
Training	3	1	2	0
Financial Statement Reporting	1	0	1	0
Q2 Performance Information	1	0	1	0
TOTAL	5	1	4	0

FY 2021/2022

Table 38: Internal Audit Findings (FY2021/2022)

Audit Assignment	Total outstanding findings at beginning of Q1 2023/2024	Addressed and risk accepted - Total	Partially Addressed	Not Addressed - Total
Recruitment	2	0	2	0
Budget Follow up	1	0	1	0
Telecommuting	1	0	0	1
TOTAL	4	0	3	1

FY 2022/23

Table 39: Internal Audit Findings (FY2022/2023)

Audit Assignment	Total outstanding findings at beginning of Q1 2023/2024	Addressed and risk accepted - Total	Partially Addressed	Not Addressed - Total
Facilities Management	3	0	3	0
Staff Performance Management	4	2	2	0

Audit Assignment	Total outstanding findings at beginning of Q1 2023/2024	Addressed and risk accepted - Total	Partially Addressed	Not Addressed - Total
Labour Relations	3	0	3	0
New Company Registrations	3	3	0	0
Supply Chain Management	3	2	1	0
Call Centre	6	5	1	0
Cyber Security	4	2	2	0
MOI - Amendment	1	1	0	0
Stakeholder Engagement	3	0	0	3
Investor Assistance Program	2	2	0	0
Disaster Recovery	4	2	2	0
Call Logging & Incident Management	4	1	3	0
Special Functions	4	4	0	0
Asset Management	5	4	1	0
TOTAL	49	28	18	3

5.2. Progress made regarding Combined Assurance Plan

The progress report on the Combined Assurance Plan is provided in Quarter 2 and Quarter 4 of FY 2023/24.

6. Financial Report

The financial report is sent separately.

7. PFMA and TR Compliance Checklist

No report.

8. Copyright and IP Enforcement Report

Quarter 1

Strategic Direction: To combat trade mark counterfeiting and copyright piracy

Counterfeits are a threat to brand value, undermine consumer trust, diminish tax revenues, and can pose a threat to health and safety. It is imperative that the CIPC's role to enhance Anti-Counterfeiting efforts is realized and expanded. The CIPC is continuously working towards building partnership with stakeholders to advocate for stronger Anti-Counterfeiting measures, both online and offline, to promote cooperation in relation to enforcement efforts across agencies and borders, and to increase awareness of the harms of counterfeiting.

Capacity Building and Training

The IPR enforcement unit is mandated to ensure that it enhances the capacity of law enforcement officials to deal with IP crimes, which subsequently ensures that the unit contributes to creating a conducive environment for investment in South Africa.

In this regard, special focus is directed towards building partnerships with law enforcement agency counterparts in other African states. In doing so, the unit has been working towards implementation requirement goals of the AfCFTA. Further, specific industries which are prone to counterfeiting are given priority. Such industries include the pharmaceutical industry, the fast-moving consumer goods industry, the liquor industry and the motor vehicle spares industry.

Below is a list of events which were hosted, conducted or attended by the CIPC in relation to Copyright and IP Enforcement in Quarter 1 of FY2023/24:

- **Building Respect for IP and promoting the Value Chain of IP for SMME's (16th of May 2023)**
 - The CIPC and the Africa IP SMME help desk hosted a successful hybrid seminar to empower Small, Medium, and Micro Enterprises towards understanding the value of Intellectual Property rights (IPR). The event took place on the 16th of May 2023. This initiative was supported by the EU Delegation to South Africa and the EU Chamber of Commerce and Industry.
 - The event fully delivered on its promise to demonstrate to SMMEs how to maximise their competitive advantage by making use of Intellectual Property (IP). Discussions also focused on the green economy as an emerging sector and how promoting sustainable development and reducing carbon emissions will benefit entire communities.

- Delegates from both South African and EU-based SMMEs attended the seminar, whether in person or virtually. Expert speakers, with thorough knowledge of IPR, shared information on compliance, commercialisation strategies, support services, as well as how navigating the green economy can be effectively achieved. The CIPC, as a leading advocate for growth and success of SMMEs, informed participants about the value of IPR towards enhancing business propositions.
- With 51 physical attendees and over 100 registered participants joining online, the event was attended by a diverse and engaging audience eager to learn about the strategic utilization of IPR for business growth and protection. The seminar brought together renowned experts, industry leaders, and legal professionals, all committed to empowering SMMEs with the knowledge and tools required to leverage their intellectual assets.
- **Africa Pharma Crime Study Visit (5th-9th of June 2023)**
- **National Pharma Crime Task Team (23rd of June 2023)**
 - Imports of fake and sub-standard medication is a serious issue that poses significant public health risks. To address this issue, several measures have been taken at various levels. The CIPC hosted the second National Pharma Crime Task Team on the 23rd of June 2023. The hybrid session was well attended; however, attendees expressed their desire to have an in-person meeting to discuss progress on active cases.
 - It is critical to address imports of fake and substandard medication to safeguard public health and ensure the availability of safe and effective medication in South Africa. Implementing a comprehensive approach involving regulatory measures, public awareness, international cooperation, and strong enforcement can help mitigate this issue.
- **Workshop on Copyright Book Piracy (29th of June 2023)**
 - In an age of unprecedented digital connectivity, the scourge of copyright piracy continues to plague the publishing industry, causing immeasurable harm to the creative ecosystem and stifling social and economic growth. The CIPC and the Publishers Association of South Africa (PASA) raised their voices in opposition to this issue and urged the public to recognize the detrimental impacts of copyright piracy, as well as to refrain from participating in unauthorized sharing of protected content via social media and other chat groups.
 - A media statement was issued to implore all members of the public to consider the ramifications of copyright piracy and to take a stand against this illicit

practice. This, to prioritize the preservation of creativity, support the livelihoods of authors and artists, and encourage the growth of a vibrant cultural landscape for all South Africans. Copyright piracy is an insidious threat that undermines the foundations of creativity. Publishers, the guardians of knowledge, invest significant resources in nurturing talent and bringing exceptional work to life. However, their efforts are thwarted by unscrupulous individuals who seek to profit at the expense of hardworking authors, artists, and publishers.

- The workshop that was hosted on the 29th of June 2023 followed the media statement and cemented commitments from government to actively engage in the fight against copyright piracy. 31 Publishers and interested parties attended the workshop. A guest speaker from the United States of America (USA) delivered a case study presentation on one of their successful cases, while detailed information on the Counterfeit Goods and Copyright Acts were shared.

Education and Awareness

Further, below is a list of IP Enforcement Education and Awareness or Training interventions hosted, conducted or attended by the CIPC in relation to Copyright and IP Enforcement in Quarter 1 of FY 2023/24:

- World IP Day: Speed IP with Women in IP (25th of April)
- Building Respect for IP General Community KZN Verulam (26th of April)
- WIPO Women in Enforcement (27th of April)
- Month End IPR "Pitkos" (30th of June)