



Companies and Intellectual
Property Commission

a member of **the dtic** group

CIPC
THIRD QUARTER
PERFORMANCE REPORT
2024/25

Approval of the Report

Endorsement of Support by the Audit Committee
I hereby support the endorsement of the report.
Signature: <u>DKW</u>
Name: <u>KEN KUNAR</u>
Rank: <u>CHAIRMAN : AUDIT COMMITTEE</u>
Date: _____
Endorsement by the Accounting Authority
I hereby support the endorsement of the report.
Signature: _____
Name: _____
Rank: _____
Date: _____

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

Abbreviations	Description
ACFE	Association of Certified Fraud Examiners
AG	Auditor General
AGSA	Auditor General South Africa
AI	Artificial Intelligence
AML	Anti-Money Laundering
AOP	Annual Operational Plan
APP	Annual Performance Plan
ATAT	Average Turn Around Time
BASA	Banking Association of South Africa
B-BBEE	Broad Based Black Economic Empowerment
BO	Beneficial Ownership
BRICS	Britain, Russia, India, China, South Africa
CCDR	Corporate Compliance and Disclosure Regulation
CEO	Chief Executive Officer
CFT	Combating Financing of Terrorism
CGSE	Corporate Governance, Surveillance and Enforcement
CIPC	Companies Intellectual Property Commission
DBE	Department of Basic Education
DHA	Department of Home Affairs
DMP	Directors, Members and Practitioners
ELP	Experiential Learning Programme
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
HC	Human Capital
HCM	Human Capital Management
IAP	Inventor Assistance Programme
IP	Intellectual Property
IPO	Initial Public Offering
IPR	Intellectual Property Rights
JPO	Japan Patent Office
JSE	Johannesburg Stock Exchange
KPI	Key Performance Indicator
LEA	Law Enforcement Agency
MOI	Memorandum of Incorporation
MVTS	Money or Value Transfer Services
NSG	National School of Government
PCT	Patent Cooperation Treaty
PDP	Personal Development Plan
QRS	Query Resolution System
RI	Reportable Irregularities
RIA	Regulatory Impact Assessment
SA	South African
SABYA	South African BRICS Youth Association
SDG	Sustainable Development Goals
SDS	Service Delivery Standard
SLA	Service Level Agreement
SME	Small Medium Enterprise
SMME	Small Medium-Micro Enterprise
SOP	Standard Operating Procedure
SSE	Substantive Search and Examination
TAT	Turn Around Time
WIPO	World Intellectual Property Organisation

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1. Executive Summary

This document represents an overview of the Companies and Intellectual Property Commission's (CIPC) 2024/25 Quarter 3 performance against its goals, objectives, and targets, as outlined in its plans, the CIPC Strategic Plan, the Annual Performance Plan (APP), and the Annual Operational Plan (AOP) for the 2024/25 reporting period. These are plans set against the legislative and policy mandate of the CIPC in terms of their contribution to broader national objectives.

The CIPC derives its mandate from the Companies Act, 2008 (Act No.71 of 2008), as amended, herein after referred to as the Companies Act, 2008, which serves as a comprehensive legal framework with multiple objectives. It aims to align company law with the principles of South Africa's Constitution, specifically the Bill of Rights. Furthermore, the Act plays a pivotal role in fostering economic development by encouraging entrepreneurship, simplifying company formation, and promoting transparency and high corporate governance standards. It also seeks to drive innovation and investment in South African markets, reaffirm the significance of companies for economic and social benefits, and create conditions conducive to capital aggregation and risk management. Additionally, the Act supports non-profit companies, balances shareholders and director rights, and encourages the efficient and responsible management of companies, contributing to the broader goal of enhancing the country's economic welfare and competitiveness.

The CIPC's strategic intent is to contribute to the well-being of the country by expressing the purpose of the Act. This is done by making it easy to do business in SA, regulating the business and IP environment, contributing to SA becoming an investment destination, and enabling the protection and commercialisation of innovation. In addition, the CIPC's goal is to leverage knowledge assets and networks to support third-party decision-making.

At the heart of CIPC's operations are its core values, derived from the Batho Pele principles:

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

This report represents the CIPC's move towards reporting on the regulator's impact on South Africa's economy, emphasising its dedication to significantly shaping the nation's economic landscape. The report, therefore, provides a comprehensive overview of the quarter's highlights and key achievements. It also highlights any significant changes, challenges, or opportunities that emerged during the quarter.

Significant Events in Quarter 3

The CIPC's operating environment in FY2024/25 has been shaped by several significant events, particularly in Quarter 3. These developments have direct implications for the CIPC's mandate and strategic direction.

Mandatory Registration of Spaza Shops

On 15 November 2024, President Cyril Ramaphosa addressed the nation regarding a pressing public health crisis: recurring incidents of foodborne illnesses, which have tragically claimed the lives of children across the country. The President reported a total of 890 documented cases since September 2024, highlighting the scale and urgency of the issue.

In response, the Cabinet, led by the President, instituted a series of interventions aimed at improving food safety standards nationwide. Central to these measures was the mandatory registration of all spaza shops and food-handling facilities with their respective municipalities. Businesses failing to register or meet the requisite health standards would face closure.

The registration process required applicants to submit a comprehensive set of documents, including a correctly filled-in application form that provides personal and business details; a certified and valid copy of a South African ID; proof of residence; business registration with the CIPC; proof of ownership or permission to utilise business premises; zoning certificate and consent use or special consent use or comment from municipal city planning; certificate of acceptability or comment from environmental health supporting the application; and the municipality determined payment before a business license may be issued.

By 18 December 2024, a total of 42,915 applications had been received, with 19,385 approved. Businesses that have received acknowledgments of registration must still complete the process to obtain their trading licenses. Minister of Cooperative Governance and Traditional Affairs, Hon. Velenkosini Hlabisa, announced an extension of the original 21-day registration deadline to 28 February 2025, providing businesses additional time to comply with the new requirements.

This development presents several key considerations for the CIPC, particularly in its role in business registration and regulatory compliance:

1. **Increased Demand for Registration Services**

The mandatory registration of spaza shops drove increased demand for the CIPC's services, particularly in processing new business registrations. This requires streamlined operations and enhanced support mechanisms to manage the surge in applications effectively.

2. **Compliance Monitoring and Collaboration**

The reliance on CIPC documentation as part of the municipal registration process underscores the need for robust collaboration with local governments. Ensuring that businesses have legitimate CIPC registrations will be critical to maintaining the integrity of the broader compliance ecosystem.

G20 Presidency

On the 1st of December 2024, South Africa assumed Presidency of G20. The presidency's focus is shaped by current global challenges, economic recovery, and sustainable development goals (SDGs). For SA, this is an opportunity to drive an agenda that addresses both global challenges and its domestic priorities, showcasing leadership in economic stability, and inclusive growth.

South Africa's G20 presidency, under the theme "Solidarity, Equality, and Sustainability," is guided by four strategic pillars:

- National Interest

- The African Agenda
- South-South Cooperation
- Multilateralism

Among the key initiatives proposed during this presidency is the establishment of a Cost of Capital Commission to review the cost of capital for developing economies, a step that underscores South Africa's commitment to addressing structural economic inequities.

Financial Action Task Force (FATF) Greylisting Upgrade

On 25 October, the Financial Action Task Force (FATF) announced nine upgrades to South Africa's 22-item action plan, reflecting notable progress in addressing Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) deficiencies. With 16 of the 22 items now largely or fully addressed, South Africa enters its final scheduled reporting cycle—concluding in February 2025—to resolve the remaining six.

The country has one reporting cycle to address the remaining six action items. Three of these relate to demonstrating a sustained increase in the investigation and prosecution of complex money laundering, terror financing and unlicensed cross-border money or value transfer services (MVTs). The remaining three relate to the timely access of beneficial ownership information in respect of companies and trusts, and the imposition of remedial action and dissuasive sanctions by designated AML/CFT supervisors.

In parallel, the National Treasury has published two Acts for public commentary, which propose amendments to four key pieces of legislation:

- The Financial Intelligence Centre, 2001 (Act No. 38 of 2001)
- The Financial Sector Regulation, 2017 (Act No. 9 of 2017)
- The Companies Act, 2008 (Act No. 71 of 2008)
- The Nonprofit Organisation's Act, 1997 (Act No. 71 of 1997)

These legislative changes seek to fortify South Africa's AML/CFT ecosystem by enhancing governance, transparency, and enforcement mechanisms. They also underscore the government's commitment to aligning with international standards and avoiding potential reputational risks associated with non-compliance.

Toward 5.4% Growth Plan – Measuring Our Progress

Indicator	Description	Trend	Related Pillar
Business Confidence	<ul style="list-style-type: none"> RMB/BER Business Confidence Index rose from 38 (Q2) to 45 (Q3) The continued absence of loadshedding and political stability coupled with improvement in consumer demand have assisted in enhancing sentiment 	▲	
Consumer Confidence	<ul style="list-style-type: none"> FNB/BER Consumer Confidence Index decreased from -5 (Q2) to -6 (Q3) The decrease in confidence may be due to the weakening of the Rand and uncertainty related to the impact of a Trump presidency on markets and trade 	▼	
Employment	<ul style="list-style-type: none"> Total number of Formal employment declined by 133 000 (1.2%) 	▼	
Investment	<ul style="list-style-type: none"> Foreign Direct Investment (FDI) outflows of 3.2 billion rand in the third quarter, compared to inflows of 16.6 billion in the second quarter Due largely to domestic subsidiaries of multinational companies paying back their loans to the parent companies 	▼	
Export and Trade	<ul style="list-style-type: none"> Exports decreased by 3.7% in Q3 2024 Imports declined by 3.9% in Q3 2024 	▼	
Inflation	<ul style="list-style-type: none"> Consumer inflation decreased from 4.4% (Q2 2024) to 3.8% (Q3 2024) 	▼	
GDP Growth	<ul style="list-style-type: none"> The economy contracted by 0.3% in Q3 2024 Agriculture was largest negative contributor due to droughts and adverse weather conditions 	▼	

Jobs Created	Investment	SMME Support	Int Tourist Arrival	Work Experience	Subsistence Farming	Industrial Parks & DDM Transformation	Exports	Red Tape Reduction	Miners
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Quarter Highlights Against Strategic Objectives

Overall, in Quarter 3 of 2024/25, the CIPC met 93% of its quarterly targets set for Quarter 3. It should be noted that **13 of the 14** of the Q3 targets were achieved. This includes **6 indicators under Programme 1, 3 indicators under Programme 2, and 5 indicators under Programme 3** this reporting period.

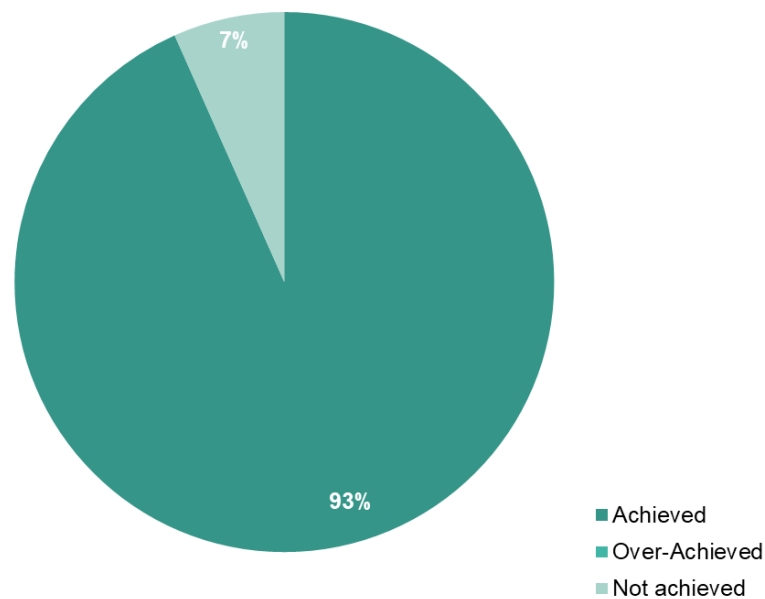


Figure 1: CIPC Overall Q3 Performance (FY2024/25)

As illustrated in Figure 2, **Programme 1 (Service Delivery and Access)** achieved 83% (5 out of 6) of its planned targets for the quarter.

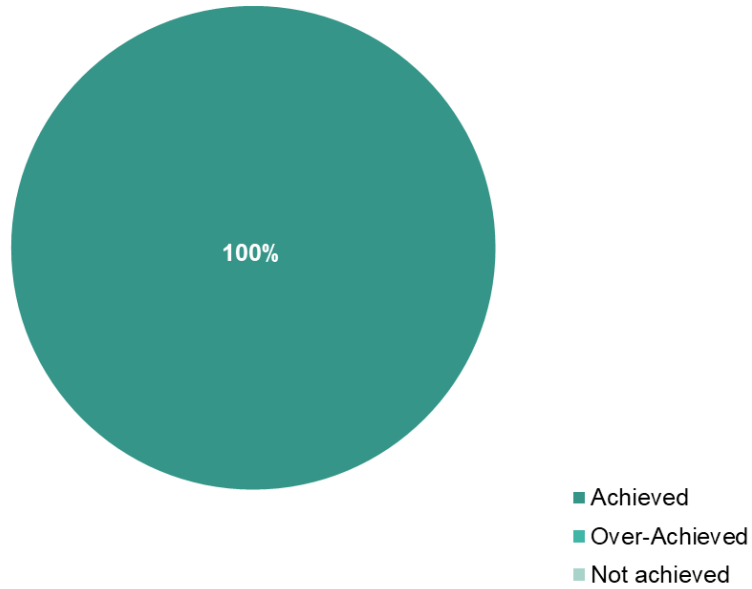


Figure 2: Programme 1 Performance, Q3 (FY2024/25)

In pursuit of **Programme 2 (Innovation and Creativity Promotion)** initiatives, the CIPC has achieved **100% (3 out of 3)** of its planned targets, as observed in Figure 3. The CIPC has continued to foster local innovation through secure registries for patents, designs, and films. Key highlights include the implementation of the SSE Experiential Learning Programme, producing six-and-a-half (6.5) non-binding work products and executing three comprehensive SSE training facilitated by the Japanese Patent Office. Moreover, the Programme has continued to implement the Inventor Assistance Programme (IAP), wherein eighteen (18) applications were assessed with seven (7) being recommended for pairing with a *pro bono* patent attorney.

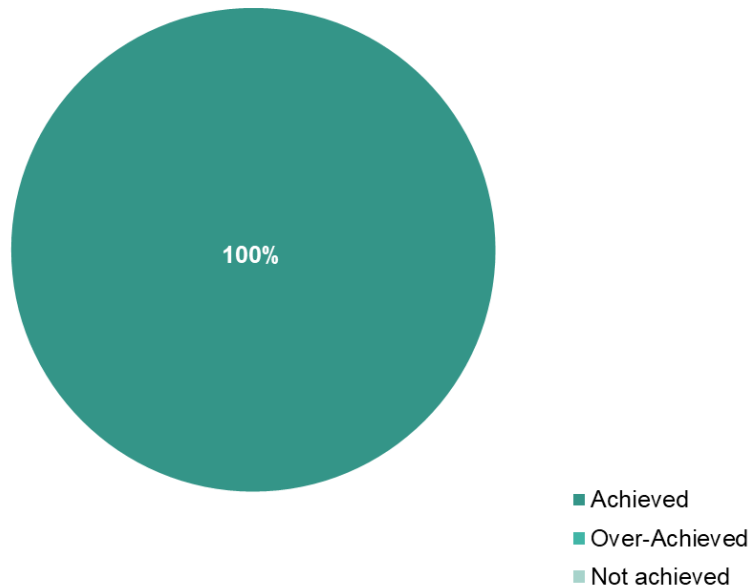


Figure 3: Programme 2 Performance, Q3 (FY2024/25)

Programme 3 (Business Regulation and Reputation) demonstrated considerable results in the quarter under review. As depicted in Figure 3, Programme 3 has achieved **100% (5 out of 5)** of its planned targets for the quarter. Key highlights of Programme 3

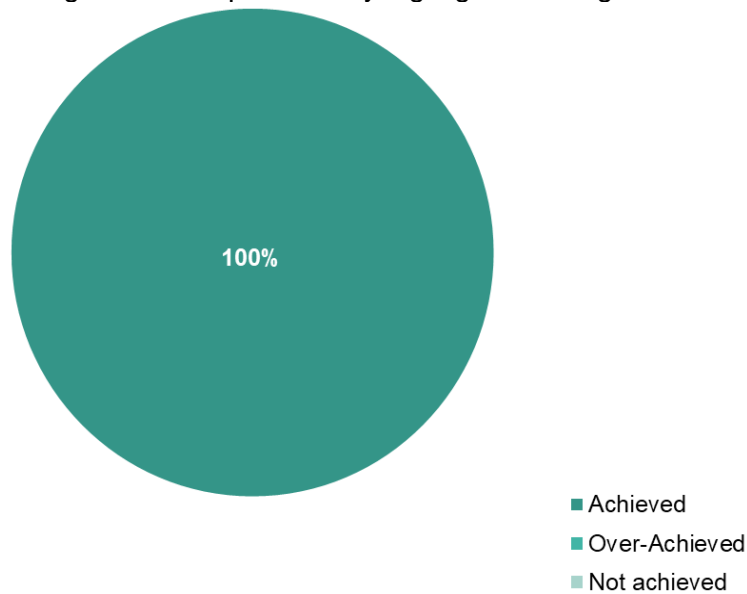


Figure 4: Programme 3 Performance, Q3 (FY2024/25)

Operational Highlights

The operational achievements of the quarter reflect the CIPC’s focus on modernisation, collaboration, and adaptability. The automation of the Beneficial Ownership Register has increased transparency and accessibility, ensuring compliance with international standards. Similarly, the introduction of the ESG taxonomy, the first of its kind in Africa, has positioned the CIPC as a leader in sustainability reporting. These advancements demonstrate the Commission’s ability to balance regulatory oversight with enabling business growth.

Challenges and Mitigations

While the CIPC achieved notable successes, it also faced challenges that tested its resilience and adaptability. Persistent reliance on legacy systems and capacity constraints hindered certain operations, highlighting the need for modernisation. The Commission has taken proactive steps to address these issues, including system upgrades, targeted recruitment, and overtime initiatives to reduce backlogs.

Capacity constraints in initiatives like the IP in Schools programme illustrated the challenges of managing expanded stakeholder groups. The CIPC is leveraging strategic planning and partnerships to overcome these barriers, ensuring the continued success of its educational outreach efforts.

Customer and Stakeholder Engagement

The CIPC’s commitment to engagement was evident through its robust communication strategies and customer-centric initiatives. Media campaigns enhanced public awareness of the Commission’s work, while proactive digital communication channels addressed stakeholder concerns effectively. The call center achieved an 80% customer satisfaction rate, reflecting the success of these efforts. However, the volume of inquiries and delays in resolving specific issues, such as Refugee ID verifications, underscored areas requiring additional focus.

The CIPC's performance in Quarter 3 of 2024/25 demonstrates its commitment to enhancing the business environment and supporting economic growth in South Africa. By addressing

challenges and leveraging opportunities for improvement, the CIPC continues to align with its strategic objectives and uphold values of transparency, accountability, and excellence. As the CIPC moves into the next quarter, it remains focused on fostering a compliant, competitive, and innovative business environment for the benefit of all South Africans.

2. Performance Against Strategic Objectives

This section of the report provides a comprehensive overview of the CIPC's progress, focusing on the specific metrics and key performance indicators (KPIs) that demonstrate its achievements. The section highlights not only the strategic goals that were successfully met but also those that were exceeded, showcasing the CIPC's dedication to fulfilling its commitments. Furthermore, it emphasises the contributions made towards addressing the strategic imperatives, emphasising the pivotal role the CIPC's initiatives play in driving the organisation forward in line with its broader mission and vision.

The CIPC's strategic objectives are designed to promote economic growth and development through the efficient and effective regulation of businesses and the intellectual property system.

2.1 Programme 1: Service Delivery and Access

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

Achievements

In Quarter 3, the CIPC successfully produced case studies that highlighted the positive impact it has had on society. These case studies covered a wide range of the CIPC's services, including the enforcement of intellectual property rights, the promotion of sustainability, the maintenance comprehensive corporate registers, and the support and protection of innovation. The case studies not only demonstrate the CIPC's commitment to these areas but also showcase the practical applications and benefits of its services, emphasising its role in driving societal and economic progress.

Additionally, the organisation continued to successfully implement its Workplace Skills plan. As of Q3, 102 employees participated in developmental initiatives, as indicated by the attendance registers and bursary agreements. This is inclusive of employees who had not initially submitted their PDPs initially but were later included in place those who were unavailable to attend the training, ensuring there was no wasteful expenditure.

Furthermore, a significant milestone is the attainment of a clean audit from the Auditor General. This achievement underscores our unwavering commitment to transparency, accountability, and sound financial practices. Although planned for Quarter 3, this was achieved in Quarter 2.

Table 1: Programme 1 Performance Table

Output	Performance Indicator/Measure	Baseline	Annual Target 2024/2025	3rd Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Impact Statement #1: A world-class modern regulator							
Skills and training plan developed and implemented	Percentage employee completion of training	New Indicator	50%	25%	35%	N/A	N/A
Implementation of the CIPC internship programme	Number of interns in the employ of the CIPC	New Indicator	50	50	58	Higher-than-Expected Demand from Business Units	N/A
Clean audit achieved	Number of AGSA Audit outcome reports	Clean Audit	Clean audit	1 (AGSA audit report issued with no findings)	0	Achieved and reported in Quarter 2	N/A
Implementation of stakeholder and customer satisfaction report recommendations	Percentage overall customer and stakeholder satisfaction	8 (equivalent to 80%)	Not measured	Not Measured	N/A	N/A	N/A

Output	Performance Indicator/Measure	Baseline	Annual Target 2024/2025	3rd Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
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	7	7	N/A	N/A
Timely payment of suppliers	Percentage of invoices paid within 20 days	New indicator	80%	Not Measured	N/A	N/A	N/A
Procurement from SA-based, B-BBEE compliant suppliers	Percentage of B-BBEE compliant suppliers (procurement above R 30000 and SA based companies)	New indicator	100%	100%	Not Achieved	Evidence was not available at the time of reporting to assure achievement	N/A
Automation of CIPC processes	Number of CIPC Processes Automated	New indicator	10	Not Measured	N/A	N/A	N/A
CIPC Data Strategy Developed	Number of drafts of the CIPC Data Strategy developed	New Indicator	1	Not Measured	N/A	N/A	N/A
CIPC Data Policies developed	Number of quarterly progress reports indicating the stage of development of the data policies	New Indicator	4	1	1	N/A	N/A

2.2 Programme 2: Innovation and Creativity Promotion

Programme 2: Innovation and Creativity Promotion at the CIPC facilitates and encourages local innovation and creativity by managing accurate and secure registries for patents, designs, and cinematograph films. This involves maintaining up-to-date information on companies, foreign companies, and other juristic persons as per the Companies Act. The programme oversees the regulation of royalty distribution by accredited collecting agencies and plays a significant role in the enforcement of intellectual property (IP) laws, collaborating with law enforcement agencies when necessary. Additionally, the programme focuses on educating the public about the benefits of IP registration, available remedies, and opportunities for commercialisation and industrial advancement. It conducts in-depth research to identify gaps and assess the impact of IP rights, contributing valuable insights for future policy recommendations.

Achievements

In pursuit of these objectives, Programme 2 has successfully met all the predetermined targets outlined for Quarter 3. It has made notable strides in fostering innovation and enhancing its service delivery through the successful implementation of the SSE Experiential Learning Programme. A key highlight of this initiative was the production of six and a half (6.5) non-binding work products per examiner, including intern examiners, alongside the execution of three (3) comprehensive SSE training initiatives. These non-binding work products, comprising Written Opinions and Search Reports on patentability, play a crucial role in the experiential learning process, offering a practical glimpse into the patent examination procedure and interaction with patent attorneys, all under the adept guidance of the European Patent Office (EPO).

The CIPC further demonstrated its ongoing commitment to transforming the economy and promoting innovation through the continued implementation of its Inventor Assistance Programme (IAP). In this regard an IAP Review Committee hearing was convened. This session was dedicated to meticulously screening applications, ensuring that only those with the potential for significant impact and alignment with the programme's objectives were advanced. Eighteen (18) applications were assessed in the meeting of which seven (7) were recommended for pairing with a *pro bono* patent attorney. Notably, the IAP has seen a significant increase in the number of applications received for participation in the programme, this has also led to more applications being accepted for *pro bono* pairing. This highlights the success of the promotional webinars that were hosted in previous quarters and the importance of continuing awareness around the programme. The programme has grown in terms of assistance and therefore adds value to inventors irrespective of the patentability of their creations.

Table 2: Programme 2 Performance Table

Output	Performance Indicator/Measure	Baseline	Annual Target 2024/2025	3 rd 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 ¹ in line with SSE Experiential Learning	24	24	6	6.5	N/A	N/A
	Number of SSE training initiatives	4	4	1	3	Training opportunity availed by the JPO	N/A
	Number of SSE training programmes developed	New Indicator	1	Not Measured	N/A	N/A	N/A
Sustainable job creation through implementation of Experiential Learning Project (ELP)	Number of new sustainable permanent jobs created through implementation of the Experiential Learning Project (ELP) of the SSE Programme	N/A	Not Measured	Not Measured	N/A	N/A	N/A

¹ Work product includes Search Report and a Written Opinion on patentability such a work product will in future be issued to an applicant

Output	Performance Indicator/Measure	Baseline	Annual Target 2024/2025	3 rd Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
via the SSE programme	Number of new permanent positions created through implementation of ELP the SSE Programme advertised	N/A	20	Not Measured	N/A	N/A	N/A
Inventor Assistance Programme (IAP) implemented	Number of IAP Review Committee meetings to screen applications	4	4	1	1	N/A	N/A
	Number of Annual Status Reports ¹ tracking the status of paired applications ²	1	1	Not Measured	N/A	N/A	N/A
Impact Statement #3: Investor confidence in SA businesses and innovations							
Compliance with Regulations by Accredited Collecting Societies	Number of annual audit reports on promoting compliance with regulations by Collecting Societies conducted by the CIPC	1	1	Not Measured	N/A	N/A	N/A

¹Number of Annual Status Reports¹ tracking the status of paired applications²

Output	Performance Indicator/Measure	Baseline	Annual Target 2024/2025	3 rd Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Efficient and Effective collection and distribution of royalties for the benefit of local musicians	Rm Royalties distributed by Collecting Societies to local musicians	New Indicator	R100m	Not Measured	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	Number of IP Enforcement Operations Report which specifies the impact on jobs and the investment environment	1	1	Not Measured	N/A	N/A	N/A

2.3 Programme 3: Business Regulation and Reputation

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

Achievements

In its quest to achieve its objectives, Programme 3 has met and exceeded its corporate education and awareness target. The persistent focus on public education and awareness regarding regulatory compliance and the array of services offered by the CIPC has the potential to empower both the public and CIPC stakeholders, fostering a culture of understanding and adherence to legal frameworks essential for conducting business.

Through the analysis of compliance checklist data, the Corporate Surveillance and Enforcement unit identified and targeted areas of non-compliance, utilising data insights to proactively drive investigations. This approach has enabled the team to remain agile, enhancing business intelligence to support timely, informed decisions on compliance enforcement, leading to the unit overachieving on the annual target four times over.

In the quarter under review, the updated CIPC taxonomy was successfully rolled out, marking a significant step toward enhancing sustainability reporting within the country. This initiative aligns with global best practices, providing a robust framework for integrating environmental, social, and governance (ESG) considerations into reporting processes. A comprehensive progress report consolidating the efforts undertaken by the CIPC was drafted and submitted. This report underscored the strides made in advancing sustainability objectives.

Table 3: Programme 3 Performance Table

Output	Performance Indicator /Measure	Baseline	Annual Target 2024/2025	3 rd Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
Impact statement #2: Ease of doing business							
Awareness initiatives aimed at SMMEs	Number of corporate education and awareness initiatives conducted	30	40	6	14	Higher number due to influx of invites	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	4	1	1	N/A	N/A
Targeted proactive pre-investigations	Number of targeted proactive pre-investigations	7	4	1	1	N/A	N/A
Reports on Tracked Capital Raised through IPOs to promote regular	Number of Prospectus Reports (Quarterly monitoring and Annual Reporting of	Quarterly and Annual Reports on Capital Raised through IPO's	4	1	1	N/A	N/A

Output	Performance Indicator /Measure	Baseline	Annual Target 2024/2025	3 rd Quarter Milestone	Actual Performance	Reason for Variance	Planned Action
tracking of investments	Capital Raised)						
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)	Phased Implementation of ESG reporting, 2-3 multi-year implementation	Approved Report confirming CIPC Position to adopt ESG standards	Develop Progress Report publishing consolidated efforts	Progress Report developed	N/A	N/A

3. Operational Highlights

This section of the quarterly report provides an overview of the CIPC's operational achievements, key activities, and service delivery highlights. It delves into the efforts to improve processes, including the significant strides made in automating key processes. Additionally, this section shines a spotlight on the CIPC's new partnerships, contracts, and noteworthy projects and how the organisation has leveraged existing partnerships, all contributing to the commission's continued growth and development.

The information represented in this section was gathered from the following units:

- (i) Applications and Architecture
- (ii) Companies and Closed Corporations
- (iii) Copyright
- (iv) Corporate Compliance and Disclosure Regulation
- (v) Corporate Education and Voluntary Compliance
- (vi) Directors, Members and Practitioners
- (vii) Human Capital Management
- (viii) Innovation and Collaboration
- (ix) Innovation, Policy, and Outreach
- (x) Patents and Design

4.1 Operational Achievements

The CIPC's dedicated units have demonstrated significant strides in enforcement, technological advancements, and support systems aimed at fostering economic development and compliance.

Policy Development

In Quarter 3, CIPC made significant contributions to policy development, particularly in relation to the National IP Policy and Patent Bill and the accompanying draft Patents Regulations. The CIPC is on an ongoing process of round-table discussions with the drafters of the Bill, identifying areas of the Regulations requiring revision to align with the intended implementation of the new legislation.

Additionally, the CIPC has been instrumental in the development of the Omnibus Bill 2024, which aims to empower the Commission to impose administrative penalties for Beneficial Ownership (BO) non-compliance. The CIPC also contributed to the development of regulations under the Companies Act, focusing on the new Companies Amendment Bills recently signed into law. These legislative efforts will strengthen the Commission's ability to enforce compliance and ensure that corporate governance in South Africa aligns with international best practices.

Business Rescue

During the quarter under review, significant progress was made in enhancing the Business Rescue framework. Following the rollout of the automated system for receiving and monitoring Business Rescue reports, the organisation concentrated on optimising its effectiveness. This system has facilitated improved tracking of Business Rescue progress and provided insights into whether interventions are yielding positive outcomes, particularly through the monitoring of terminations.

The quality of reports submitted by Business Rescue Practitioners has shown marked improvement, enabling more precise evaluations and progress assessments. This advancement underscores the effectiveness of the automation initiative and supports the organisation's ability to provide data-driven insights into the success or challenges of Business Rescue efforts.

The Department of Trade, Industry, and Competition (**dtic**) demonstrated a vested interest in the Business Rescue process. Two strategic sessions were held with **the dtic** Policy Unit to explore ways to improve the perception and implementation of Business Rescue across sectors. These engagements have laid the groundwork for further collaboration aimed at enhancing policy and operational approaches.

A notable highlight of the quarter was the Round Table Conference on Business Rescue. This event, chaired by the Deputy Director-General of **the dtic**, provided a platform for high-level consultations with Business Rescue Practitioners. Key issues raised by practitioners, particularly those of a legislative nature, were discussed in depth. An agreement was reached in principle to jointly address these challenges through operational interventions while awaiting potential amendments to the legislative framework.

Looking ahead, the organisation plans to intensify advocacy and awareness initiatives for Business Rescue. These efforts will be carried out in collaboration with relevant stakeholders, including **the dtic**, to ensure a cohesive and impactful approach. These interventions aim to strengthen the overall Business Rescue ecosystem and enhance its contribution to sustainable economic recovery.

4.2 Significant Projects

Sustainability Reporting

A major milestone this quarter was the inclusion of an ESG (Environmental, Social, and Governance) taxonomy in the CIPC's baseline taxonomy, rolled out on 1 October 2024. As the first jurisdiction in Africa to allow for voluntary filing of non-financial reports, including S1 and S2 reports, as part of normal XBRL filings, the CIPC has garnered international attention. This development underscores the CIPC's balanced approach to enabling business growth while ensuring regulatory compliance, furthering its role in promoting sustainability reporting in South Africa. The Belize Financial Services Commission has benchmarked its own XBRL journey and ESG reporting plans against the CIPC's achievements, highlighting the Commission's influence in this domain.

Beneficial Ownership Register Enhancement

The ongoing enhancement of the Beneficial Ownership (BO) register reached its final stages this quarter, marking noteworthy progress in automating and improving functionality. Notable achievements include developing a detailed step-by-step guide, back-office system integration with STRATE and other stakeholders and enabling Law Enforcement Agency (LEA) access to the register. However, technical challenges remain, particularly with ID validation through the Department of Home Affairs and finalising discrepancy reporting agreements with key stakeholders such as the Banking Association of South Africa (BASA). These issues are being addressed as the project moves toward completion.

Intellectual Property (IP) in School Curriculum

The initiative to integrate IP into the national schools' programme represents a strategic endeavour aimed at fostering economic growth, advancing Sustainable Development Goals (SDGs), tackling unemployment, and nurturing a culture of innovation among youth from an early age, starting from primary school level. The initiative's strategic focus remains steadfast on embedding IP education into the fabric of the national education system, guided by partnerships with key stakeholders and a commitment to fostering a generation of creative thinkers equipped to drive economic and societal advancement through intellectual property.

Additionally, the project with the service provider was finalised, and further engagements with the Department of Basic Education (DBE) will be guided by requests from the Minister in 2025. WIPO's assistance with the "IP in Schools" initiative is now being advanced by the Swiss team.

CIPC Learning Academy

Another strategic initiative was the development of the CIPC Learning Academy. The quarter under review saw the formalisation of a Memorandum of Understanding (MoU) with the National School of Government (NSG). The MoU has been finalised with NSG. The MoU initiated discussions around the IP Knowledge management systems, successfully leading to the signing of the MoU with NSG.

Media Campaign

The CIPC's media campaign was a pivotal project for strategic communication this quarter. The campaign included a combination of media buying and exhibitions aimed at enhancing the CIPC's visibility and engagement with diverse demographics. A key achievement for this quarter was the successful broad reach and engagement through a multi-channel approach. Successfully completing the billboard campaign and the enhanced visibility and awareness of the automation of Co-operatives system initiative, contributing to a successful launch. This positioned the CIPC as a central player in business regulation and innovation.

4.3 Partnerships and Collaborations

Effective partnerships and collaborations, both local and international, are essential for enhancing efficiency, harnessing the resources of its valued partners, and facilitating the sharing of information and resources where relevant. This association involves sharing best practices, engaging in collaborative efforts, targeted capacity-building programmes, and initiatives to raise awareness about intellectual property. It also entails keeping abreast of international developments to support the modernisation of IP legislation and regulations, ultimately leading to improved efficiency and service delivery.

Collaboration empowers the CIPC and CIPC partners to work harmoniously, pooling knowledge, expertise, and resources towards shared objectives. This cooperative spirit yields benefits such as heightened productivity, enhanced efficiency, improved communication, cost savings, a culture of innovation, and the nurturing of stronger business relationships.

Business collaboration at the CIPC takes various forms, with options including strategic alliances and joint ventures. In the current quarter, CIPC has diligently cultivated and leveraged partnerships in alignment with its mandate to become a world-class regulator, thereby enhancing the ease of doing business in South Africa.

Substantive Search and Examination

The CIPC's partnership with the Japan Patent Office (JPO) played a pivotal role in enhancing the Commission's capacity for substantive search and examination. During the quarter under review, three intensive training programmes were conducted in Japan, focusing on various aspects of IP examination. These programmes, which included the JPO/IPR Training Course on Design Substantive Examination, Accession to the Hague Agreement, and Patent Examination Practices for South Africa, were tailored to the specific needs of CIPC examiners. The training provided CIPC examiners with valuable insights into international patent examination practices, allowing them to refine their skills through case studies and advanced search techniques. The partnership with the JPO has been instrumental in elevating the CIPC's ability to perform substantive examinations with greater accuracy and efficiency, aligning its practices with international standards and furthering its goal of becoming a world-class regulatory body. A key takeaway was that South Africa can empower local designers and businesses by acceding to the Hague Agreement while considering policy enhancements to implement substantive design examination.

CIPC-dtic Joint Media Campaign

During exhibitions, **the dtic** entities formed a marketing and communication partnership that significantly enhanced CIPC's collaborative efforts. This partnership enabled the pooling of

marketing and media resources, resulting in a unified and impactful presence at events. Key achievements included a media campaign to promote co-operatives automation, a roundtable on business rescue, and social media efforts that greatly boosted engagement. Additionally, webinars and video productions provided valuable multilingual resources, while collaborating with the Association of Certified Fraud Examiners (ACFE) focused on combating fraud. CIPC also modernised its website to improve user experience, produced impactful promotional materials, and engaged audiences through social media and webinars. These efforts underscore CIPC's commitment to excellence, accountability, and maintaining a strong reputation.

4. Challenges and Mitigations

Reflecting upon the dynamic nature of the CIPC's operational environment, ongoing examination of the challenges, obstacles, and lessons learned is essential to facilitating continuous improvement. These challenges not only demonstrate our commitment to addressing complex issues but also highlight our dedication to driving progress. The CIPC firmly believes that a candid assessment of these obstacles is essential for a genuine appreciation of the progress achieved in our endeavours.

The following section focuses on the challenges encountered during Quarter 3 of the 2024/25 financial year. Acknowledging and addressing these obstacles directly is crucial, as they provide valuable opportunities for growth and innovation.

This section will interpret not only the challenges that have arisen but also the proactive strategies employed to mitigate their impact. It will examine how the various divisions and units identified these challenges and harnessed their collective expertise to mitigate them, or lack thereof. It will also explore the lessons learned in the process and the improvements that have been implemented to strengthen the CIPC's approach.

The information represented herein was gathered from the following divisions:

- (i) Client Engagement
- (ii) Co-operatives
- (iii) Companies and Closed Corporations
- (iv) Corporate Compliance and Disclosure Regulation (CCDR)
- (v) Corporate Governance, Surveillance and Enforcement (CGSE)
- (vi) Disclosures
- (vii) Innovation, Policy and Outreach
- (viii) IP Enforcement

Availability of Specialist Skills and Capacity Constrains

A recurring challenge across several divisions has been the availability of specialist skills. The need for specialised knowledge, coupled with extensive training requirements, has placed strain on human resources. The Corporate Legal division, in particular, has faced difficulties in accessing expert legal advice and representation in a timely manner. These delays impact the CIPC's ability to act swiftly on critical legal matters.

Mitigation strategies have been implemented to address these issues, including the exploration of appointing interns to build a pipeline of talent in specialised areas. Additionally, the Corporate Legal division has advertised a tender for a skilled Panel of Attorneys to support corporate and employment law matters. The tender process has been finalised and an expert Panel of Attorneys appointed - MSA and SLA negotiations with each firm of attorneys in process. This will alleviate the legal capacity constraints at CIPC. Moreover, the CIPC has encountered inefficiencies related to the enforcement of expired compliance notices due to

delays with the State Attorney's Office. In response, Corporate Services has taken proactive steps by issuing a tender to source a pool of corporate attorneys, aimed at improving enforcement efforts and ensuring timely legal intervention.

Moreover, the Human Capital Management (HCM) unit successfully implemented the Skills and Training Plan to address human resource constraints. As part of this initiative, 102 employees participated in developmental programmes specifically aligned with their Personal Development Plans (PDPs). These efforts underscore the organisation's commitment to upskilling its workforce and enhancing overall capacity.

The implementation of the IP in Schools initiative has faced notable capacity constraints, particularly in managing the logistics of working with an expanded group of stakeholders. This complexity has posed significant challenges for the current chair, The increased scope and involvement have placed additional strain on available resources, making it difficult to streamline operations and effectively address the needs of all participants. This logistical strain highlights the need for better planning and resource allocation to support the initiative's growing demands.

Furthermore, inadequate resource capacity continues to impede the delivery capabilities of the Innovation Policy and Outreach units. Limited staffing, funding, and infrastructure have constrained their ability to meet objectives and fully realise the potential of the initiative. These challenges hinder the scale and effectiveness. Addressing these capacity issues through enhanced coordination, and additional Internal support is critical to overcoming these barriers.

Decline in Annual Returns Filing and reinstatement

The CIPC continues to face challenges stemming from customers' failure to file their annual returns within the stipulated 30-day period following re-instatement. This non-compliance leads to a repetitive cycle of de-registration and subsequent re-instatement applications, resulting in operational inefficiencies and customer frustration. Many customers experience multiple de-registrations, further compounding the issue. The situation has been exacerbated by the high volume of applications received following the President's call for action, which placed additional strain on the organisation's resources. Despite the implementation of overtime during quarter 3 to address the backlog, delays in processing reinstatements persist.

To address these challenges, the CIPC implemented overtime work during the reporting period to assist with high volumes and manage the backlog. During this time, staff focused on processing reinstatements, supported by enhanced communication efforts aimed at educating customers about the importance of compliance. Various notices and targeted social media campaigns highlighted the significance of annual return compliance, the consequences of late filings, and the requirements for reinstatement.

Furthermore, long-term mitigation measures under consideration include the automation of reinstatement processes, automated reminders for customers, and the introduction of penalties for late filings to encourage timely compliance. These proposed measures have been included in the Annual Operational Plan (AOP) and Annual Performance Plan (APP) prioritisation cycle for further evaluation. By implementing these initiatives, the CIPC will streamline processes, enhance resource efficiency, and improve customer adherence to compliance requirements.

System Challenges and Legacy Systems

The persistence of legacy systems continues to present a significant barrier to operational efficiency. Various ICT-related challenges, including server capacity issues, missing images, and broken LAN points, have affected various units. These challenges, particularly those linked to disk space and system infrastructure, have resulted in delays, including the production of blank applications.

Outdated systems have contributed to delays in production. Although processes are in place to address these issues, legacy systems remain a persistent challenge. These systems are prone to errors and require ongoing support from the BISG to mitigate further delays and disruptions.

To address these system limitations, the CIPC is actively working on fast-tracking the transition away from legacy platforms and implementing modernised solutions to streamline operations. However, the reliance on older systems continues to impact day-to-day operations and service delivery.

5 Customer and Stakeholder Engagement

The information represented herein was gathered from the following divisions:

- (i) Client Engagement
- (ii) E-Communications
- (iii) Strategic Communications

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 its reputation are related not only to media management but also to the way in which CIPC interacts with its customers and stakeholders.

The CIPC leverages opportunities to receive free publicity through engaging media on highlights and milestones that the CIPC achieves. Some of the engagements are to state the CIPC's position on matters that impact on our reputation. Additionally, media coverage is regularly monitored to track CIPC's 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.

5.1 Successes

The CIPC's media campaign was a pivotal project in Quarter 3. The campaign included a combination of media buying and exhibitions aimed at enhancing the CIPC's visibility and engagement with diverse demographics. A key achievement for the quarter under review was the successful broad reach and engagement through a multi-channel approach. Successfully completing the billboard campaign and the enhanced visibility and awareness of the automation of co-operatives system initiative, contributing to a successful launch. This positioned the CIPC as a central player in business regulation and innovation.

The E-Communication team efficiently managed a significant rise in inquiries related to Annual Returns and Beneficial Ownership. Utilising social media as a key contact point, the team promptly addressed queries, enhancing customer satisfaction and operational efficiency.

Additionally, the CIPC continually invests in regular training for staff to ensure they remained informed about new developments and adhered to best practices. Refresher courses are implemented to maintain accuracy in the information provided to customers. Furthermore, ongoing coaching by team leaders ensures that agents uphold professional telephone etiquette and follow established procedures. The fruit of this effort was seen in the call centre maintaining a strong customer satisfaction score, averaging 80% for the period. This score reflects client satisfaction with the quality of service provided by individual call centre agents.

5.2 Challenges

Despite these successes, the call centre faced significant challenges due to capacity constraints. The increased volume of calls exceeded the available capacity, resulting in an inability to address all client inquiries in a timely manner. The situation was further exacerbated by staff vacancies, as several team members transitioned to other roles within the organisation. The CIPC responded by advertising one team lead and nine call centre positions, with plans to fill these roles in the fourth quarter.

A critical challenge, during the quarter, related to the verification of Refugee IDs with the Department of Home Affairs (DHA). Due to their inability to verify these IDs, refugee customers were unable to complete director’s amendments. This presented a substantial issue, given the Presidency’s directive requiring all spaza shops to be registered. Many of these businesses are owned by foreign nationals.

5.3 Recommendations

To further enhance client engagement, it is recommended that any changes to business unit processes, standard operating procedures (SOPs), or system updates be communicated to all front-facing staff before being shared with customers. This approach will ensure that the call centre and other client-facing teams remain fully informed and able to provide accurate and timely information. Ensuring clear and prompt internal communication will be critical as the CIPC continues to optimise its service delivery.

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

Table 4: Customer Contact: Call Centre, QRS, and social media

Platform	Number	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Call centre	Calls received	95459	93018	81307	
	Calls answered	46799	45125	40636	
	Calls abandoned	48445	47696	40443	
	Lost calls	215	197	228	
	% calls answered	50%	48,4%	50%	
Query Resolution System	Queries received	N/A ³	N/A	N/A	
	Queries closed	N/A ³	N/A	N/A	
	Queries closed within 10 days	N/A ³	N/A	N/A	
	Average Turnaround Time (ATAT)	N/A ³	N/A	N/A	
Facebook	Queries received	17566	11471	10598	
	Queries resolved (%)	16357	10678	10494	
	Average Turnaround Time (ATAT)	2h10m11s	4h2m4s	1h4m41s	
	SDS (24 hrs)	98%	95.70%	99%	
X (formerly Twitter)	Queries received	4370	3437	2465	
	Queries resolved (%)	4252	3225	2461	
	Average Turnaround Time (ATAT)	2h15m13s	4h23m17s	1h3m38s	
	SDS (24 hrs)	98%	95.70%	99.8%	

³ Due to the deactivation of the QRS in Quarter 4 FY23/24, system data is unavailable

6. Conclusion

This report outlines the CIPC's 2024/25 Quarter 3 performance against its goals, objectives, and targets, as outlined in its plans, the CIPC Strategic Plan, the Annual Performance Plan (APP). For the quarter in review, the CIPC has made significant strides towards achieving its strategic goals and objectives. In pursuit of its objectives, the CIPC has achieved 11 out of 14 of its strategic milestones for Quarter 3.

Operational achievements, including advancements in automation, the rollout of the Beneficial Ownership Register, and strides in sustainability reporting through ESG taxonomy integration, have strengthened the CIPC's ability to meet global compliance standards. The establishment of the CIPC Learning Academy further demonstrates commitment to capacity building, ensuring the workforce remains equipped to navigate an evolving regulatory landscape.

Despite these successes, the report acknowledges challenges such as capacity constraints, reliance on legacy systems, and the complexities of managing stakeholder engagements. However, the CIPC's proactive mitigation strategies—including targeted recruitment, overtime initiatives, and system upgrades—reflect an adaptive approach to continuous improvement. By leveraging data-driven insights, the Commission is addressing systemic issues and driving efficiency in its operations.

Stakeholder and customer engagement have been pivotal in enhancing the CIPC's public perception and service delivery. Media campaigns and digital communication initiatives have amplified awareness of CIPC's efforts, with high satisfaction rates in the call center and social media platforms evidencing a customer-centric approach.

As South Africa approaches its G20 presidency in 2025, the CIPC is well-positioned to support national priorities through enhanced compliance frameworks, investor confidence initiatives, and automation. These strategic alignments ensure the CIPC not only meets immediate objectives but also contributes meaningfully to the country's long-term socio-economic goals.

The CIPC's performance in Quarter 3 has had a tangible impact on the everyday lives of South African citizens. By streamlining business processes, promoting innovation, and ensuring robust regulatory compliance, the CIPC has contributed to job creation, economic growth, and improved service delivery. The integration of intellectual property education into the national curriculum and the support for small businesses and inventors underscore the CIPC's role in fostering a culture of innovation and entrepreneurship, which is vital for the country's socio-economic development.

As the CIPC moves forward, it remains dedicated to its mission of creating a compliant, competitive, and innovative business environment. The achievements and lessons learned from this quarter provide a solid foundation for continuous improvement, ensuring that the CIPC continues to make a positive impact on both the business environment and the lives of South African citizens.

Ancillary Tables – For the purpose of gathering data

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).

Based on the below, it is worth noting:

- The applications and registration volumes indicated herein may be used as an indicative measure, but the value lies in the indication of the economic and social contribution post-engagements with the CIPC. Therefore, the volumes serve as indicators of the efficiency of the CIPC in executing its mandate.

Demand for Services

Table 5: 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 (Local)	351	354	409	
	Number (Foreign)	2265	1998	2150	
	Number (Total)	2616	2352	2559	
	ATAT	2	2	2	
	SDS (2 working days)	99.53%	99.83%	100%	
Patent Application Types	Provisional Applications	272	276	328	
	Complete Applications	391	382	435	
	Convention Applications	416	401	534	
	Patent Cooperation Treaty (PCT) Application	1527	1293	1251	
Patent Certificate	Number	1527	1306	1790	
	ATAT	19	19	21	
	SDS (44 working days)	100%	100%	100%	
Patents Renewal	Number (Manual)	8208	7351	7187	
	Number (Online)	5680	4629	4448	
	Number (Total)	13888	11980	11635	
	ATAT	1	1	1	
	SDS (3 working days)	98.37%	99.07%	99.53%	
Design Application	Number (Local)	157	102	183	
	Number (Foreign)	192	240	215	
	Number (Total)	349	342	398	
	ATAT	2	2	2	
	SDS (2 working days)	97.12%	100%	100%	
Designs Certificates	Number	334	312	431	
	ATAT	13	14	17	

	SDS (3 working days)	100%	100%	100%	
Designs Renewals	Number (Manuals)	1060	834	775	
	Number (Online)	940	1075	992	
	Number (Total)	2000	1909	1767	
	ATAT	2	2	2	
	SDS (3 working day)	98.7%	98.17%	99.49%	
Copyright in film applications	Number	0	0	2	
	ATAT	1	1	1	
	SDS (44 working day)	100%	100%	100%	
Copyright in film registrations	Number	11	2	5	
	ATAT	0			
	SDS (22 working days)	100%	100%	100%	
Trademark applications	Number	11003	11378	Not available at the time of reporting	
	ATAT	3	2	Not available at the time of reporting	
	SDS (3 working days)	93%	94%	Not available at the time of reporting	
Trademark registrations	Number	7462	5308	Not available at the time of reporting	
	ATAT	180	180	Not available at the time of reporting	
	SDS (90 days + 90 days)	88%	94%	Not available at the time of reporting	
Trademark Official Action	Number	8868	8573	Not available at the time of reporting	
	ATAT	10 Months	10 Months	Not available at the time of reporting	
	SDS (10 months/304 days)	88%	96%	Not available at the time of reporting	
Trademark Renewals	Number	7664	6503	Not available at	

				the time of reporting	
	ATAT	3 Days	2	Not available at the time of reporting	
	SDS (3 working days)	92%	96%	Not available at the time of reporting	
Name reservations	Number	133331	149823	173737	
	ATAT	1.6	1.63	1.61	
	SDS	43%	64%	49%	
Companies Registrations	Number	117592	102182	117592	
	ATAT	1.17	1.01	1.17	
	SDS	86%	100%	100%	
BBBEE Certificates	Number	106670	104240	82467	
	ATAT	Immediate	Immediate	Immediate	
	SDS	100%	100%	100%	
Company Name Changes	Number	Not available at the time of reporting	14879	12811	
	ATAT	Not available at the time of reporting	0.01	1	
	SDS	Not available at the time of reporting	87%	83%	
Short Standard Private and Non-Profit without members (CoR15.1A and CoR15.1C)	Number (e-services)	117141	101310	117141	
	ATAT	1	1	1	
	Percentage within SDS (2 working days)	86%	100%	86%	
Private Company and Non-Profit Company with customised MOI, Public Company, State Owned Company and Incorporated Company (CoR15.1B, D and E)	Number	238	872	234	
	ATAT	2	2	2	
	Percentage within SDS (5 working days)	81%	88%	81%	
Close Corporation to Company Conversions (CoR18.1)	Number	180	503	180	
	ATAT	2	2	2	
	Percentage within SDS (5 working days)	88%	95%	88%	
	Number	18	21	18	

Mergers or Amalgamation (CoR89)	ATAT	1	1	1	
	Percentage within SDS (5 working days)	100%	100%	100%	
External Company Registration (CoR20.1)	Number	37	41	37	
	ATAT	3	3	3	
	Percentage within SDS (5 working days)	86%	79%	86%	
MOI amendments for JSE applications (CoR15.2)	Number	16	Report not Available	21	
	ATAT	4	Report not Available.	3	
	Percentage within SDS	63%	Report not Available	67%	
MOI amendments on shares (CoR15.2)	Number	428	603	230	
	ATAT	1	1	1	
	Percentage within SDS (5 working days)	100%	100%	100%	
Company address (CoR21.1)	Number	26442	31485	2226	
	ATAT	1	1	1	
	Percentage within SDS	96%	96%	98%	
Company financial year end (CoR25)	Number	1122	1265	1527	
	ATAT	1	1	1	
	Percentage within SDS	100%	88%	85%	
Location of company records (CoR22)	Number	809	485	335	
	ATAT	3	3	4	
	Percentage within SDS	70%	85%	67%	
Company and Close corporation voluntary Deregistration	Number	4350	3756	2723	
	ATAT	4	4	2	
	Percentage within SDS (5 working days)	62%	55%	93%	
Company and Close Corporation Solvent (CoR40.1) and	Number	890	1003	878	
	ATAT	1	1	5	

Insolvent Liquidation (CM26Liq)	Percentage within SDS (3 working days)	96%	97%	97%	
Amendments - Manual MOI (Cor15.2)	Number	382	427	309	
	ATAT	4	4	1	
	Percentage within SDS (5 working days)	87%	90%	100%	
Company and CC reinstatements	Number	10198	8669	7653	
	ATAT	7	5	4	
	Percentage within SDS (3 working days)	23%	31%	49%	
Annual Returns (Service Delivery Standards)	Annual	367310	597346	969131	
	ATAT	N/A	N/A	N/A	
	Percentage within SDS (3 working days)	Immediate	Immediate	Immediate	
Company and Close Corporation Annual Return Final De-registration	Number	None	None	8610	
Annual Returns	Annual Returns Due	664217	1305080	1537347	
	Annual Returns Filed	136756	275601	501693	
Co-operative Registrations	Number	893	1877	1534	
	ATAT	1	1	1	
	SDS (3 days)	1	1	1	
Director Amendments	Number (Electronic/OTP)	51479	51859	48077	
	Number (Manual/Back Office)	1457	1531	1345	
	ATAT (Electronic/OTP)	Instant	Instant	Instant	
	ATAT (Manual/Back Office)	2	2	1	
	Percentage within SDS (OTP)	100%	100%	100%	
	Percentage within SDS (Back Office)	100%	98%	80%	
Member Amendments	Number (Electronic/OTP)	4193	3710	3734	
	Number (Manual/Back Office)	1192	1712	1664	
	ATAT	1	1	1	
	ATAT (Manual/Back Office)	1	1	1	
	Percentage within SDS	99%	99%	99.98%	

	Percentage within SDS (Back Office)	99%	99%	99%	
Business Rescue Cases Registered (New)	Number	89	42	66	
	ATAT	2	2	2	
	SDS	2	2	2	
Business Rescue Practitioners Registrations/Licensing	Number	85 license applications & 42 were approved	45 licenses were issued	26 Licenses issued & 73 Appointment	
	ATAT	2	2		
	SDS	2	2		
Disclosures: Paper Based	Number	4290	4215	4163	
	ATAT	12 days	9 days	6 days	
	SDS	89%	89%	89%	
	Revenue Collected	13.3%	60%	63%	
	Expenditure/Cost	R97 979.69	R114 166.72	R114 850.90	
State Department	Number of Requests Received	2477	2424	2672	
	ATAT	3 Days	8 days	8 days	
	Inside TAT	100%	65%	70%	
	Outside TAT	0%	35%	30%	
Mailroom	Mail received from Post Office	250	2197	210	
	Mail collected from Divisions	3777	4141	9305	
	Revenue Collected	R26 768.25	R23 299.32	R52 044.45	
Disclosure Billing: Paper Base	Disclosure Request received	4290	4215	4163	
	Disclosure request completed	3791	3812	3567	
	Outstanding ticket	499	403	596	
	Disclosure request billed	2027	670	2767	
Disclosure Billing: State Department	Disclosure Request received	2563	2424	2672	
	Disclosure Requests completed	2380	2326	1985	
	Duplicate requests	183	8	0	
	Outstanding	0	1077	687	

Annexure A - Governance Risk and Compliance Risk

Purpose

This report provides a summary of the work carried out by the GRC division during quarter 3 of the 2024/2025 financial year.

Highlights

Summary of achievements for the quarter.

- Annual ethics awareness campaign
- Reviewed strategic risk register
- Reviewed risk appetite and tolerance framework
- Reviewed Risk Management and Fraud Prevention Policy

Governance and Ethics

Governance Framework

Implementation of the approved governance framework is ongoing. The alignment of the governance committees' responsibilities will follow the ongoing benchmark and review.

Ethics

The annual ethics and fraud awareness campaign took place September and November 2024, under the theme of "STOP, THINK and ACT". The campaign comprised of contact and online workshops meant to reach the whole employ of the CIPC. Attendance was exceeded 60%, well below the numbers recorded in the past two 3 years. However, we noted an improvement in the quality of discussions and input particularly for smaller groups such as regional offices.

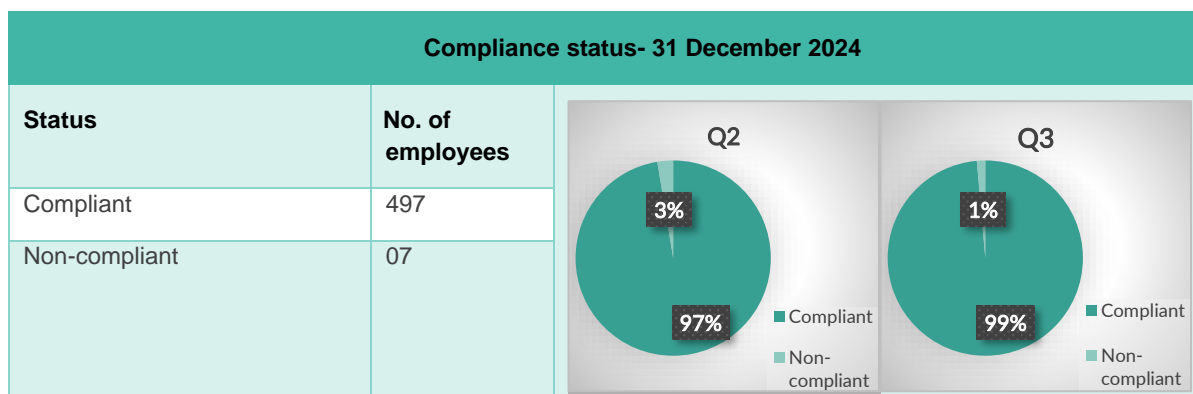
The sessions were well-received, and the engagement from employees suggests a strong interest in continuing ethical education. Future sessions should consider incorporating the suggested topics to further enhance the ethical standards within the organization.

An ethics awareness program is being developed with a view to embed ethics into the formal training of the CIPC to ensure that all employees regularly attend such trainings.

Declaration of Interest

The due date for submission of all declarations was 31 May 2024. There were challenges with the submission process via the Signiflow platform resulting in submission delays by employees.

Considering the risks posed by the manual nature of the submission and storage of declarations, an electronic submission process is being considered.



Category of declaration	#
Directorship and partnership non-remunerated	77
Directorship and partnership remunerated	09
Trusts	05

Remunerative work outside public service engagements is discussed with and approved by line managers and commissioner, respectively.

Status of Policies - 31 December 2024

Figure 2

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	1	13	1	1
BISG	10	7	0	1	2
Finance	9	8	0	1	0
Facilities and security	4	4	0	0	0
Client engagement	1	1	0	1	0
GRC	7	3	4	0	0
Strategy	4	0	2	2	0
TOTAL	52	24	19	6	3

Consultation with organized labour on HR policies is ongoing.

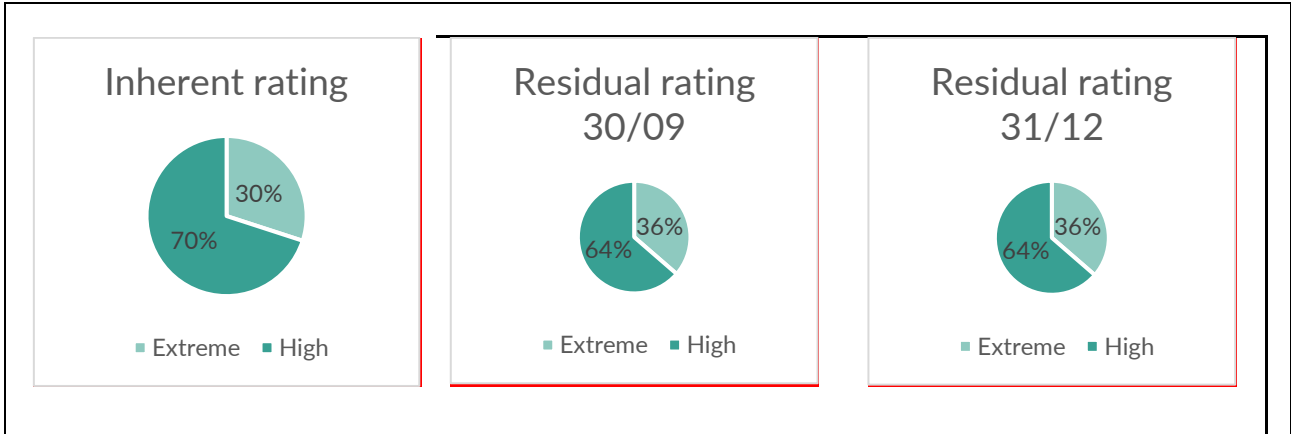
Risk Management

Overview

This section provides progress on the management of strategic risks during the reporting period. Implementation of strategic mitigating actions for Q3 is summarised under 5.2 below.

Strategic Risk Dashboard

Figure 3



Risk Movement dashboard

Key: Improved = ↑; Regressed = ↓; No Change = ↔

	Residual rating Q3	Residual rating Q2	Residual rating Q1	
Risk Name	31/12	30/09	30/06	01/04
1. Dissatisfaction with services offered from various functions organisation-wide				
2. Non-availability and non-accessibility of ICT services				
3. Non-professional organisational culture				
4. Non-optimal organizational performance				
5. Non-compliance and pro-longed approval of legislation				
6. Organisational structure deficiencies				
7. Technology shortfalls in enabling effective third-party collaboration				
8. Potential events adversely affecting the implementation of CIPC strategy and implementation of projects.				
9. Adverse impact of external and internal events on the implementation of CIPC strategy and implementation of project.				
10. Impact of Artificial Intelligence on CIPC strategy and operations				
11. Cyber security				

Risk indicator summary dashboard

# of risk indicators	Q3 indicator outcome			
	well managed	partially managed	Mitigations may be ineffective	Not measured during the period.
22	18	1	1	2
100%	81%	5%	5%	9%

Materialised Risk

No materialised risks were identified or reported during the period.

Emerging Risk

To be discussed in the meeting.

Progress on Implementation of Risk and Fraud Plan

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

Figure 4

Activity		2024/25	Q3 Status
1.	Risk Management		
1.1	Risk management plan development and approval	□□	Not planned for the period
1.2	Strategic risk register annual review	□□	Complete
1.3	Risk appetite statement and tolerance levels review	□□	Complete
1.6	Operational strategic and operational root cause analysis	□□	Not planned for the period
1.7	Strategic and operational risk quarterly review and monitoring.	□□	Complete
1.8	Operational and fraud risk review for all divisions	□□	Complete
1.9	Implementation of third-party framework	□	Complete
1.9	Conduct risk management awareness	□□	Complete
1.10	BCM Implementation	□□	In progress
1.11	BCM risk register review	□□	Complete
2.	Fraud Prevention Plan		
2.1	Fraud prevention plan review and approval for 2025/26	□□	Not planned for the period
2.2	Fraud risk register review	□□	Complete
2.3	Review and implement ethics plan	□□	Complete
2.4	Fraud data analysis and reporting	□□	Complete
2.5	Fraud awareness and education	□□	Complete
2.6	Declaration of interest process facilitation	□□	Complete
2.7	Maintain an effective fraud complaints case database	□□	Complete
2.8	Conduct investigations	□□	Complete
2.9	Fraud prevention progress quarterly report –	□□	Complete

Key:

Complete	In progress	Not done	Not planned for the period
----------	-------------	----------	----------------------------

Q3 performance improved to 94%.

Fraud Prevention

This section provides information and progress on the implementation of fraud prevention initiatives. It further outlines fraud cases statistics for the reporting period.

Complaints received 01/10 – 31/12

Figure 5

Balance 01/10	Calls logged	Feedback Requests	Resolved	Balance 31/12
92	103	(10)	(46)	139

The number of complaints logged decreased slightly, compared to the previous quarter. The resolution rate is approximately 44.66%, meaning less than half of the logged calls were resolved. The backlog increased by 47 from Q2 to Q3.

The number of feedback requests, though stable, could indicate areas needing improvement or customer satisfaction levels.

Status of Open Cases- 31/12

Figure 6

Total	Under investigation	Pending investigation
133	(53)	80

Summary – Reporting Channels

Figure 7

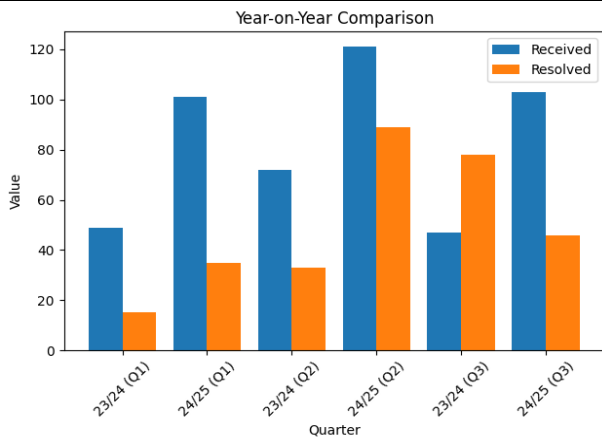
#	Channel	Received Cases
1	Hotline	86
2	Emails	17
Total		103

Summary - Nature of Cases

Figure 8

#	Types of cases	Q1		Q2		Q3	
		No. of cases	Percentage %	No. of cases	Percentage %	No. of cases	Percentage %
1	Fraudulent removal or addition of directors	57	56%	56	46%	45	44%
2	Misuse of clients' accounts	06	6%	10	8%	22	21%
3	Fraudulent use of customer details to register a company	06	6%	20	17%	20	19%
4	Implicating CIPC employees	02	1%	00	0%	00	0%
5	Other- Not fraud related	22	22%	21	17%	00	00%
6	Other: Feedback request/ additional information	09	9%	14	12%	16	16%
Total		101	100%	121	100%	103	100%

Complaint Age Analysis



Summary

- There is a slight drop in the number of cases received in Q3 compared to Q2. The number of cases received for the period under review remain higher than the same period in 2023/24.
 - Of concern is the drop in the number of cases resolved in Q3 (2024/25), a number significantly lower than the preceding 2 quarters. This trend is partly attributable to the December/January freeze period.
 - Cases for the period under review show a slight decrease compared to Q2.
 - Overall, cases received and resolved show growth from 23/24 to 24/25, with some fluctuations within the quarters.

Resolved Case Age Distribution

# days	Q3	Q2	Total cases
01-30	19	2	21
31-60	16	8	24
61-90	12	9	21
91-120	12	11	23
120+	25	15	40

Summary

- The highest number of cases falls in the **120+ days** category, indicating that a significant portion of cases remain unresolved for a long time. The **31-60 days** category also has a high number of cases.
- The high number of cases in the **120+ days** category is indicative of potential bottlenecks or inefficiencies in the case resolution process.
- Comparing Q3 and Q2, it is evident that Q3 generally has more cases in the shorter age ranges (01-30 and 31-60 days), while Q2 has more cases in the longer age ranges (91-120 and 120+ days). This could indicate a difference in performance or complexity between the two quarters.

Key areas of Improvement

Given the high number of long-duration cases and the need to improve overall efficiency, the team’s focus is directed at:

- expediting the resolution of older cases
- investigating the reasons for and addressing longer duration cases.
- improving the rate of resolution
- case administration
- and strengthening education and awareness as well as customer engagement.

Compliance Management

Legislative compliance

Figure 10

Compliance Universe	Total Assessed in Q3	Compliance issues	Violations and penalties
59	20	0	0

The compliance policy, framework and universe are undergoing a comprehensive review. Additionally, a compliance assessment exercise is being undertaken.

Compliance with GRC policies

There are no reported incidents of non-compliance with GRC policies for the period.

Business Continuity Risk Management

Adequate implementation of BCM programme is dependent on allocation of dedicated resources. There is currently no BCM position on the organogram. However, GRC is collaborating with other operational units to implement some of the BCM functions. Implementation of the reviewed third-party risk management framework has begun.

Resource Management

The process to appoint additional resources to manage complaints and conduct investigations is underway. The GRC implemented a four-pillar strategy to ensure optimal utilisation of resources.

Figure 11

No.	Pillar	Ongoing solutions
1.	Permanent resources	<ul style="list-style-type: none">• Performance Management• Job enrichment• Job rotation of staff.• In-house knowledge sharing
2.	Secondments	<ul style="list-style-type: none">• Suitable employees from other business units on voluntary basis.• In house training and upskilling• Performance management
3.	Interns	<ul style="list-style-type: none">• Implementation of intense internship program• Ongoing assessments
4.	External Resources	<ul style="list-style-type: none">• Usage of external service providers

Focus For the Next Quarter

- Compliance assessment
- Revision of complaints handling process.
- Third-party framework implementation.
- Declarations verification.

Annexure B – Internal Audit Findings

Audit findings tracking summary report for the Quarter ended 31 December 2024

Purpose of the Report

This report provides a high-level summary of progress made regarding 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 2022/23 financial year as well as findings and observations from internal audits conducted in the 2020/2021, 2021/2022, 2022/23 and 2023/24 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 = 11

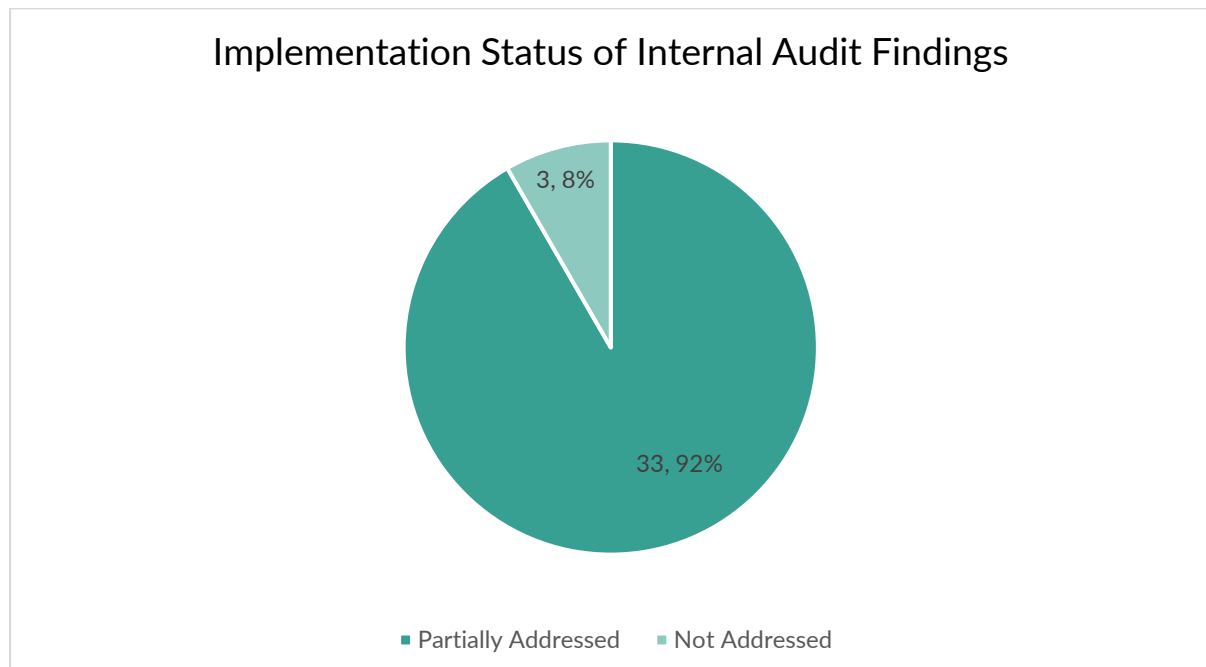
Total findings at the beginning of Q3 of 2024/2025 = 36

Total findings resolved/addressed/ Risk accepted = 0 (0%)

Total findings in progress/Partially addressed = 33 (92%)

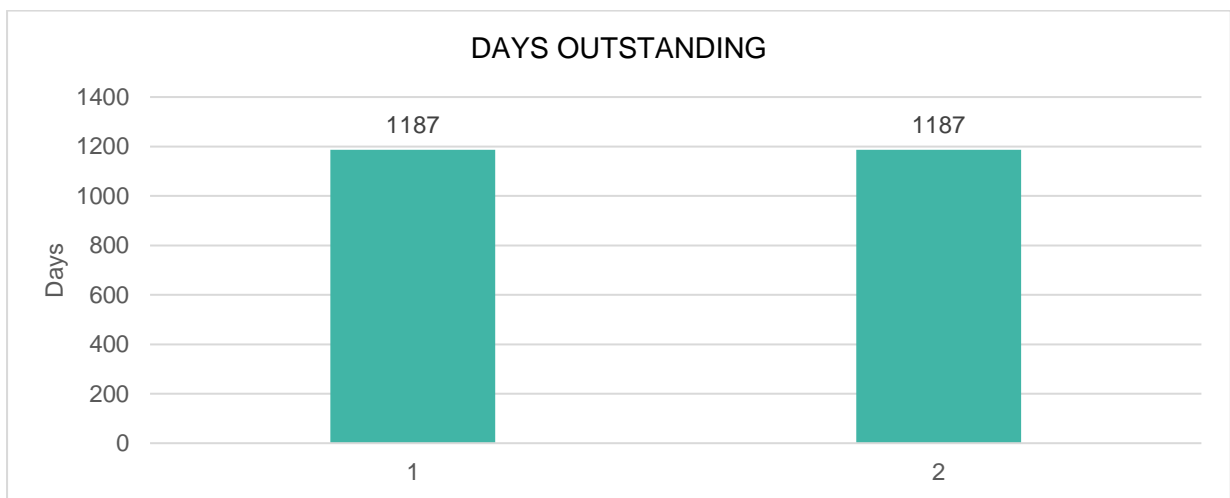
Total findings not addressed = 3 (8%)

The graph below depicts the percentage of action taken by management to address Internal Audit findings which were previously reported:



Internal Audit Findings

Audit Assignment	Total outstanding findings at beginning of 2024/2025	Addressed and risk accepted - Total	In Progress	Not Addressed - Total
Training	2	0	2	0
TOTAL	2	0	2	0
%	100%	0%	100%	0%



Implementation Age Analysis Dashboard

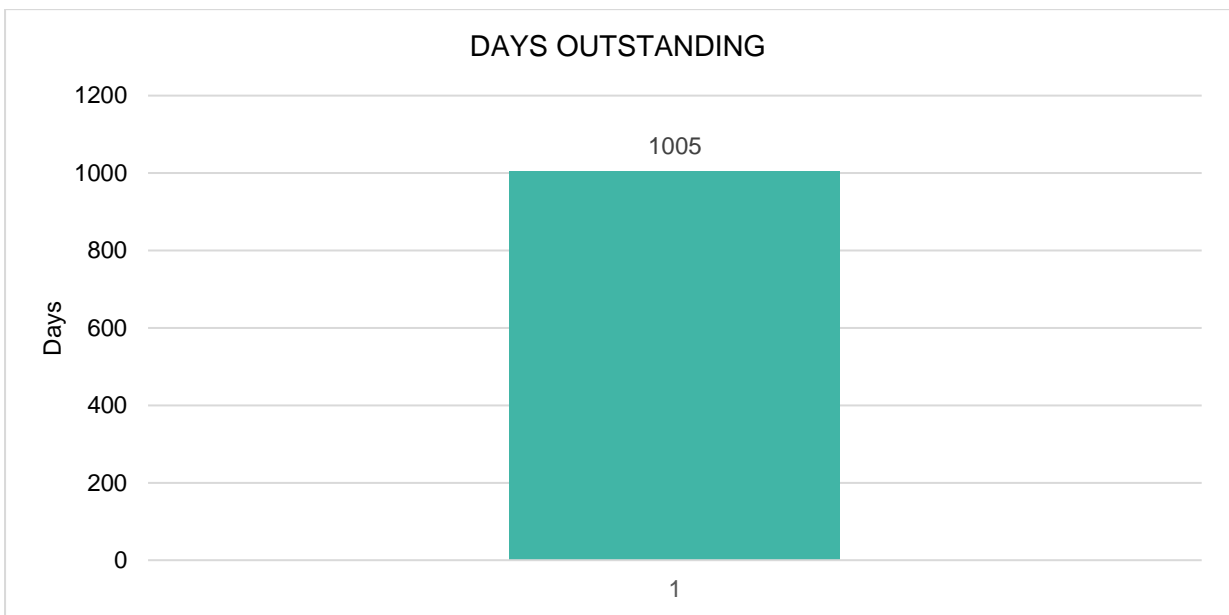
The dashboard below shows the age analysis of the findings that were not resolved by management as of 31 December 2024 for the internal audits conducted between 1 April 2020 and 31 March 2021, as confirmed with process owners. By 31 December 2024, 100% of the findings were 180+ days due for implementation:

Aging of findings that have not been Resolved as of 31 December 2024	
Aging	Number of Findings
0 - 60 Days	0
61 - 90 Days	0
91 - 120 Days	0
121 - 180 Days	0

180+ Days	2
Not Yet Due	0
Total	2

2021/2022

Audit Assignment	Total outstanding findings at beginning of Q3 2024/2025	Addressed and risk accepted - Total	In Progress	Not Addressed - Total
Recruitment	1	0	1	0
TOTAL	1	0	1	0
%	100%	0%	100%	0%



Implementation Age Analysis Dashboard

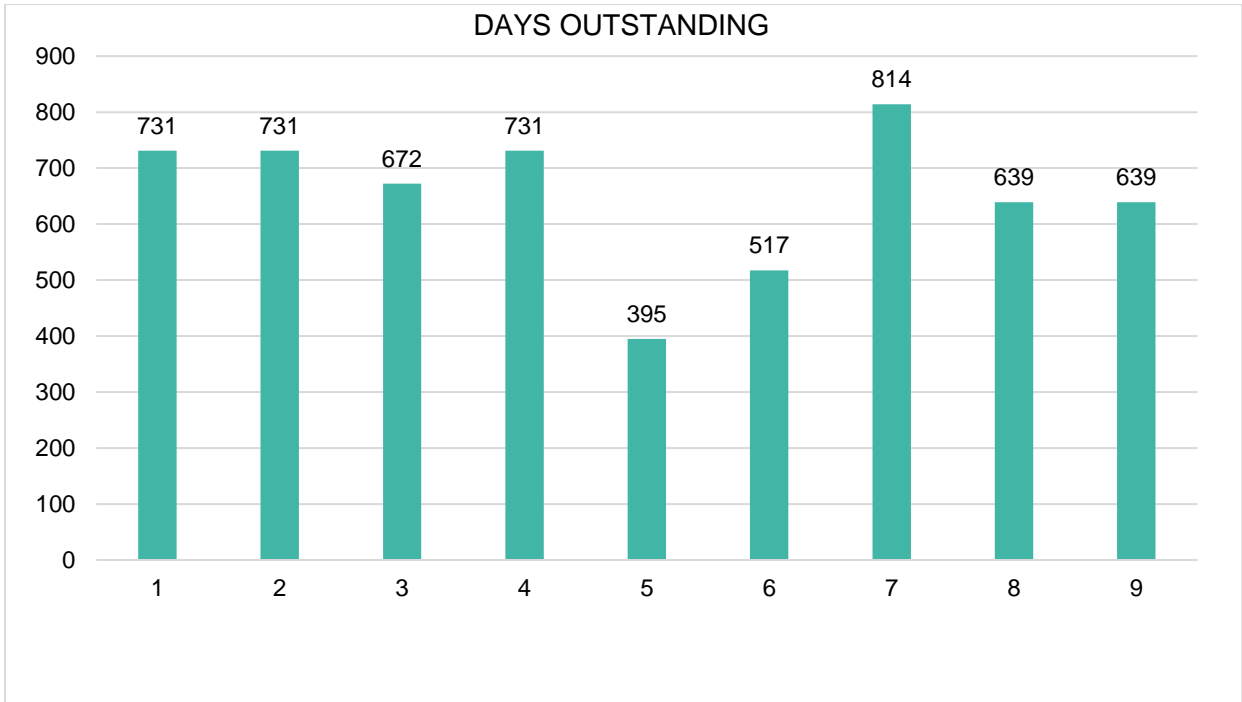
The dashboard below shows the age analysis of the findings that were not resolved by management as of 31 December 2024 for the internal audits conducted between 1 April 2021 and 31 March 2022, as confirmed with process owners. By 31 December 2024, 100% of the findings were 180+ days due for implementation:

Aging of findings that have not been Resolved as of 31 December 2024

Aging	Number of Findings
0 - 60 Days	0
61 - 90 Days	0
91 - 120 Days	0
121 - 180 Days	0
180+ Days	1
Not Yet Due	0
Total	1

2022/2023

Audit Assignment	Total outstanding findings at beginning of Q3 2024/2025	Addressed and risk accepted - Total	In Progress	Not Addressed - Total
Labour Relations	2	0	1	1
Facilities	1	0	1	0
Cyber Security	1	0	1	0
Disaster Recovery	2	0	2	0
Call Logging & Incident Management	3	0	3	0
TOTAL	9	0	8	1
%	100%	0%	89%	11%



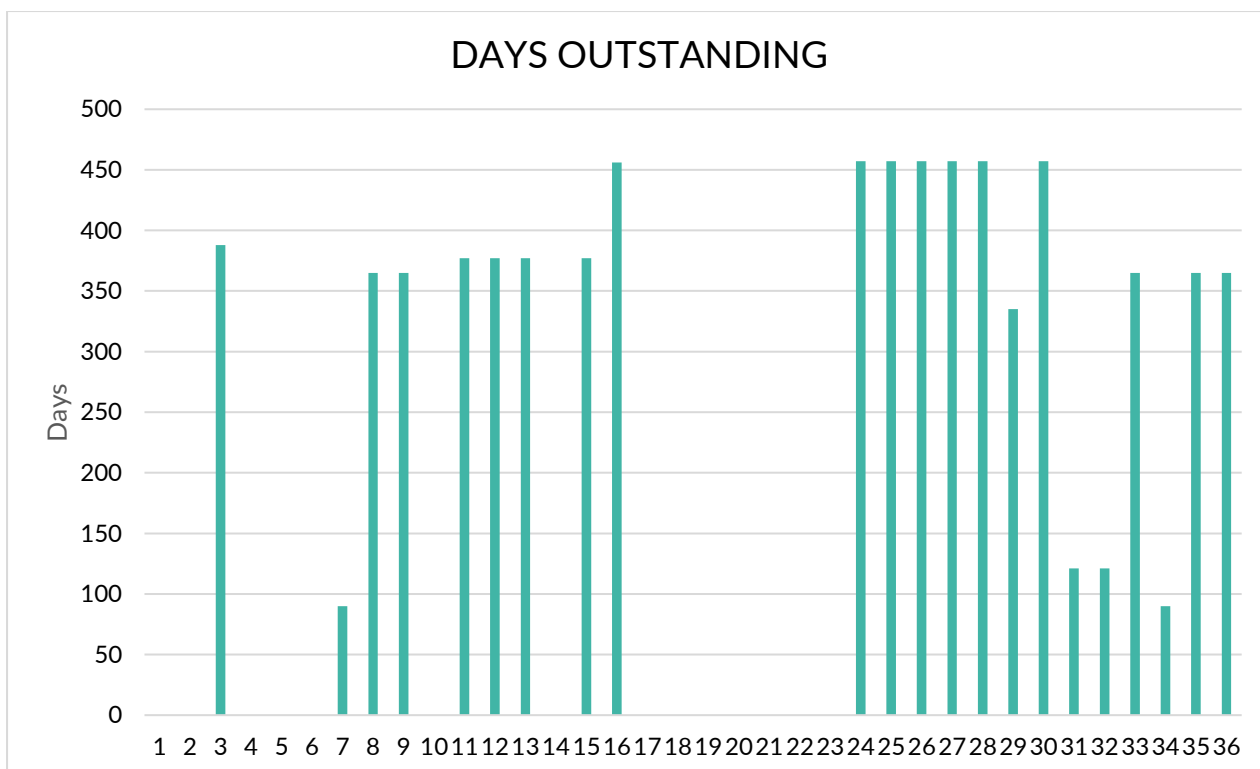
Implementation Age Analysis Dashboard

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Aging of findings that have not been Resolved as of 31 December 2024	
Aging	Number of Findings
0 - 60 Days	0
61 - 90 Days	0
91 - 120 Days	0
121 - 180 Days	0
180+ Days	1
Not Yet Due	0
Total	1

2023/2024

Audit Assignment	Total outstanding findings at beginning of Q3 2024/2025	Addressed and risk accepted - Total	Partially Addressed	Not Addressed – Total
Ethics	2	0	2	0
Staff Establishment	4	0	2	2
CGSE	3	0	3	0
Service Delivery Standards	1	0	1	0
Substantive Search Examination	5	0	5	0
Training & Development	1	0	1	0
Trademarks	2	0	1	1
BCM (Non-IT)	5	0	5	0
ICT Project Management	7	0	7	0
Application Controls on e-Services	2	0	2	0
IT General Controls Review	4	0	4	0
TOTAL	36	0	33	3
	100%	0%	92%	8%



Implementation Age Analysis Dashboard

The dashboard below shows the age analysis of the findings that were not resolved by management as of 31 December 2024 for the internal audits conducted between 1 April 2023 and 31 March 2024, as confirmed with process owners. By 31 December 2024, 69% of the findings were 180+ days due for implementation, 17% of the findings were due for implementation for 61-90 days.

Aging of findings that have not been Resolved as of 31 December 2024	
Aging	Number of Findings
0 - 60 Days	6
61 - 90 Days	0
91 - 120 Days	0
121 - 180 Days	2
180+ Days	25
Not Yet Due	3
Total	36

Auditor General Findings: 2023/24

Opening findings balance at beginning of Q2 2024/2025 = 17

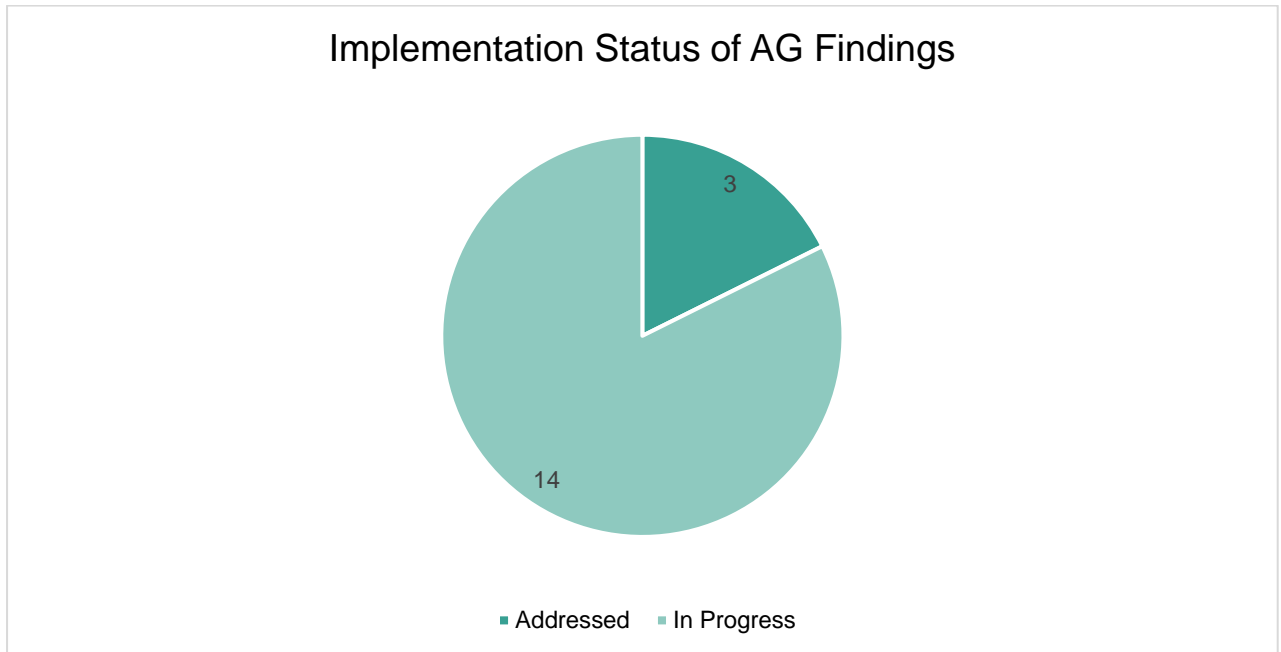
Addressed and risk accepted in Q2 of 2024/2025 = 13

In progress = 0

Not addressed = 4

Audit Assignment	Q2 2024/2025 opening balance	Addressed and risk accepted in Q3 of 2024/2025	In progress	Not Addressed
AG: Management report findings	17	4	13	0
% Total	100%	14%	76%	0%

The graph below depicts the percentage of action taken by management to address AG findings which were previously reported:



Implementation Age Analysis Dashboard

The dashboard below shows the age analysis of the findings that were not resolved by management as of 31 December 2024 for the AG audit conducted for the period 1 April 2023 and 31 March 2024, as confirmed with process owners. By 31 December 2024, 29% of the findings were 180+ days due for implementation, 29% of the findings were due for implementation for 61-90 days.

