



# ANNUAL REPORT 2022/2023

# OUR YEAR AT A GLANCE



95% of calls and emails answered.



Achieved 10% growth in social media following and 20% in media coverage



20 investigative cases were closed over the past financial year



Candidate Registrations continue to grow from 2020-2022



ECSA President elected  
FAEO President elect  
2023-2024



ECSA appointed its first female Chief Executive Officer



11 hybrid accreditation visits with a total of 57 programmes being successfully accredited.



4 Candidacy Training and Mentoring Programmes were accredited and endorsed for certification at Bosch Ulwazi



4 new Codes of Practice developed and approved



Improved financial performance for the year under review.



4 South African Engineering Professionals added to the International Register



ECSA currently recognises 56 VAs, 50 Recognised Licensed Bodies and 39 Verified CPD Service Providers

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10 ECSA staff members are funded through the ETD P SETA Bursary Fund



12 engineering programmes endorsed at 6 Higher Institutions of Learning



Dams Specialist, Glass Specialist, and Dolomite Specialist added to the Specified Categories list

A circular inset image on the right side of the page shows a robotic arm in a factory setting, welding a metal part. Bright orange sparks are flying from the point of contact. The background of the entire page is a dark blue with a pattern of concentric circles and hexagons.

# PART A GENERAL INFORMATION



# 1. ECSA **GENERAL INFORMATION**

<b>REGISTERED NAME</b>	Engineering Council of South Africa
<b>REGISTRATION NUMBER</b>	N/A
<b>PHYSICAL ADDRESS</b>	1 <sup>st</sup> Floor, Waterview Corner Building 2 Ernest Oppenheimer Avenue Bruma 2198
<b>POSTAL ADDRESS:</b>	Private Bag X691 Bruma Johannesburg 2026
<b>TELEPHONE NUMBER</b>	+27 11 607 9500
<b>FAX NUMBER</b>	+27 11 622 9295
<b>E-MAIL ADDRESS</b>	engineer@ecsa.co.za
<b>WEBSITE</b>	www.ecsa.co.za
<b>EXTERNAL AUDITORS</b>	Lunika Inc Unit 5, Lonehill Office Park Sandton 2146 www.lunika.co.za 011 465 1867
<b>BANKERS</b>	Standard Bank East Gate Bedfordview
<b>COMPANY/BOARD SECRETARY</b>	None. Legal Services and Council Secretariat Division performs the secretarial duties.

## 2. LIST OF ACRONYMS

<b>4IR</b>	Fourth Industrial Revolution
<b>AIE</b>	Academic Institute of Excellence
<b>APP</b>	Annual Performance Plan
<b>AU</b>	African Union
<b>AIET</b>	Agreement of International Engineering Technicians for the Technicians
<b>AMEU</b>	Association of Municipal Electricity Utilities
<b>ARC</b>	Audit, Risk & Compliance Committee
<b>CBE</b>	Council for the Built Environment
<b>CC</b>	Chairpersons Committee
<b>CEASA</b>	Clinical Engineering Association of South Africa
<b>CEMCON-SA</b>	Cement & Concrete SA
<b>CESA</b>	Consulting Engineers South Africa
<b>CHE</b>	Council for Higher Education
<b>COET</b>	Chamber of Engineering Technology
<b>CPD</b>	Continuing Professional Development Committee
<b>CRC</b>	Central Registration Committee
<b>CRM</b>	Customer Relations Management
<b>CUT</b>	Central University of Technology
<b>DA</b>	Dublin Accord
<b>DHET</b>	Department of Higher Education and Training
<b>EC</b>	Education Committee
<b>ECSA</b>	Engineering Council of South Africa
<b>AEW</b>	Africa engineering Week
<b>EPA</b>	Engineering Professions Act
<b>ESGB</b>	Engineering Standards Generating Body
<b>ETDP</b>	Education, Training and Development
<b>ERB</b>	Engineering Registration Board Botswana
<b>FAEO</b>	Federation of Africa Engineering Organisations
<b>F&amp;S</b>	Finance & Staff Committee
<b>GRAP</b>	Generally Recognised Accounting Practice
<b>HEI's</b>	Higher Education Institutions
<b>HEQSF</b>	Higher Education Qualifications Sub-Framework
<b>HR</b>	Human Resources
<b>IC</b>	Investigating Committee
<b>IEA</b>	International Engineering Alliance
<b>EIT</b>	Engineering College of Science
<b>IETA</b>	International Engineering Technologists Agreement for Technologists
<b>IESSA</b>	Illumination Engineering Society of South Africa
<b>IDoEW</b>	Identification of Engineering Work
<b>IMESA</b>	Institution of Municipal Engineering of Southern Africa
<b>INCOSE SA</b>	International Council on Systems Engineering – SA
<b>IPEA</b>	International Professional Engineers Agreement for the engineers
<b>IPET</b>	Institute of Professional Engineering Technologists

<b>IPD</b>	Initial Professional Development
<b>IRSE</b>	Institution of Railway Signal Engineers, Southern Africa
<b>IWH</b>	Institute for Work at Height Professional Body
<b>LEEASA</b>	Lifting Equipment Engineering Association of South Africa
<b>MoU</b>	Memoranda of Understanding
<b>NMU</b>	Nelson Mandela University
<b>NECSA</b>	South African Nuclear Energy Corporation
<b>NPC</b>	Water Institute of South Africa
<b>NFPA</b>	National Fire Protection Association
<b>NQF</b>	National Qualification Framework
<b>PQM</b>	Programme Qualification Mix
<b>RPS</b>	Research Policy and Standards
<b>RPSC</b>	Research Policy and Standards Committee
<b>SA</b>	Sydney Accord
<b>SAAMA</b>	Southern African Asset Management Association
<b>SABPP</b>	South African Board for Personnel Practice
<b>SADC</b>	The Southern African Development Community
<b>SAFEQ</b>	South African Federation of Africa Engineering Organizations
<b>SAICE</b>	South African Institution of Civil Engineering
<b>SAICHe</b>	South African Institution of Chemical Engineers
<b>SAIEE</b>	South African Institute of Electrical Engineers
<b>SAIMechE</b>	The South African Institution of Mechanical Engineering
<b>SAIMENA</b>	South African Institute of Marine Engineers and Naval Architects
<b>SAIMM</b>	Southern African Institute of Mining and Metallurgy
<b>SAIRAC</b>	South African Institute of Refrigeration and Airconditioning
<b>SARF</b>	South African Road Federation
<b>SAIW</b>	South African Institute of Welding
<b>SANCOLD</b>	South African National Committee on Large Dams
<b>SAQA</b>	South African Qualifications Authority
<b>SASTT</b>	Southern African Society for Trenchless Technology
<b>STEM</b>	Science, Technology, Engineering and Mathematics
<b>SOCSAT</b>	Society for Asphalt Technology
<b>SQL</b>	Structured query language
<b>TA</b>	Training Academies
<b>TADC</b>	Training Academies and Development Committee
<b>TVET</b>	Technical Vocational Education and Training
<b>UFS</b>	University of Free State
<b>WA</b>	Washington Accord
<b>WFEO</b>	World Federation of Engineering Organisations
<b>WITS</b>	University of the Witwatersrand
<b>WISA</b>	Water Institute of Southern Africa



### 3. Foreword by the **PRESIDENT**

Ms Refilwe Buthelezi Pr. Eng

It gives me great pleasure to present to our stakeholders the 2022/2023 annual report of the Engineering Council of South Africa. This period is significant as it marks the mid-term of the Sixth Term ECSA Council and subsequently a review of the 2020-2025 ECSA Strategic Plan premised on ECSA becoming an effective regulator assuring engineering excellence.

#### **REVIEW OF THE STRATEGY**

The 2020-2025 Strategic Plan provides the blueprint for operations and guides ECSA towards the fulfilment of its mandate. The mid-term strategy review process was conducted to assess the achievement, challenges encountered, as well as to ensure alignment with the current needs of the profession and provide the marching orders for the remaining two years of the current Council in office. A consultative process with stakeholders and ECSA Management, evidence-based methods such as a wide range of data and documentary sources were adopted to produce a thorough, evidence-based organisational analysis of ECSA over time.

According to the assessment results, the 2020-25 Strategic Plan correctly re-focuses ECSA on its regulatory purpose and expands the mission to include all its mandated functions. The assessment also emphasised ECSA's focus on the need for organisational change through innovation. Some of the challenges identified, however, included the limited holistic view of the environment in the fulfilment of the ECSA's mandate as well as the absence of an evidence-based assessment to inform the program of action. Taking these

challenges and achievements into consideration, the review identified seven (7) critical imperatives which will enable ECSA to effectively regulate the engineering profession.

#### **GOVERNANCE AND OVERSIGHT**

One key responsibility of the ECSA Council is to provide an oversight role which involves reviewing and monitoring the policies developed and implemented as well as the plans, programmes and projects, to ensure that they are achieving expected results; represent good value for money; and are following applicable policies, laws, regulations, and ethical standards. This current Council has rendered this role successfully, allowing for the operations of the organisation to be undertaken as seamlessly as possible while ensuring compliance is achieved.

#### **STAKEHOLDER RELATIONS**

For the past two financial years, building a strong stakeholder relations focus has been a priority for the Council. This was evident in the development of a stakeholder relations strategy and engagement plan that segmented ECSA stakeholders and applied engagement tactics specific to each stakeholder as informed by the research undertaken with stakeholders who expressed their engagement needs and expectations. The international stakeholders were one of the critical stakeholders identified, and the engagement strategies applied were geared towards informing the stakeholders, participating in international engagements and events as well as profiling ECSA on these international platforms.



These engagement strategies have yielded positive results, cementing the role and position of ECSA on the international platform, one such being my election as President Elect of the Federation of African Engineering Organizations (FAEO) for the period 01 January 2023 to 31 December 2024. This was followed by the election of ECSA's Vice President, Mr Madikane T, Pr.Eng as the Deputy Chairperson for the International Professional Engineering Agreements (IPEA) for the period June 2023 to June 2026. These elections position South Africa within the global engineering industry as a country whose engineering standards, practices, and education are at par with international ones.

Furthermore, these elections, which are consistent with ECSA's International Relations Framework, strengthens ECSA's position on both international and African engineering bodies, as FEAO represents the African Engineering Agenda on the World Federation of Engineering Organizations (WFEO), which is the global overarching body of the engineering profession, bringing together national engineering institutions from over 100 countries and representing over 30 million engineers.

We have further continued to ensure the partnership with ECSA, and its recognised Voluntary Associations is sustained. This was achieved through resuscitating the VA Presidents Forum geared towards creating a platform to discuss engineering matters pertinent to all disciplines.

The Presidents Forum will be a standing engagement between ECSA and the VA's.

## THE YEAR AHEAD

In line with the ECSA's strategic objectives and mandate, the organisation will remain focused on contributing to the socio-economic transformation of the engineering profession and will prioritise the following seven (7) imperatives for the year ahead:

1. Assess and accredit Post School Education and Training (PSET) Programs and engage Higher Education Institutions and international bodies to ensure the quality and relevance of engineering education.
2. Assess and register competent candidates and professionals based on a robust system to evaluate and recognise engineering expertise.
3. Regulate, accredit, and certify Continuing Professional Development (CPD) programs, promoting lifelong learning and ensuring that engineers stay abreast of advancements in their fields.

4. Regulate and assure professional service standards, conduct, and practice, safeguarding the integrity and ethical standards of the engineering profession.
5. Regulate and assure definitions and fees for engineering work, providing clarity and transparency in pricing structures and ensuring fair compensation for engineering services.
6. Recognise and engage Voluntary Associations (VAs), fostering collaboration and dialogue among diverse engineering disciplines to address industry challenges collectively.
7. Organise to assure engineering excellence in the public interest, implementing initiatives and measures to uphold the highest standards of engineering practice for the benefit of society as a whole.

## ACKNOWLEDGEMENTS

As President of the Sixth Term ECSA Council, I wish to express my sincere gratitude to my colleagues who serve on the Council and have made valuable contributions to the engineering profession. Their dedication and expertise have been instrumental in driving positive change.

I further extend my appreciation to the senior management at ECSA, who under the leadership of Dr Ssamula B, Pr.Eng, have tirelessly worked towards identifying areas of opportunity and growth to enhance the regulation of the profession and meet the evolving needs of our stakeholders.

To our Registered Persons and the broader spectrum of ECSA stakeholders, I want to express my heartfelt thanks for your continuous support. Your collaboration, feedback, and commitment to engineering excellence have been invaluable in shaping the success of ECSA.

In conclusion, I hereby endorse the 2022/2023 ECSA Annual Report, which reflects our collective efforts and achievements in advancing the profession. Together, let us continue to strive for excellence and drive positive change for the betterment of our industry and society as a whole.



**Ms Refilwe Buthelezi Pr Eng**

President of the Council



## 4. Chief Executive's **OVERVIEW**

**DR BRIDGET SSAMULA**

It is with great honour that I present my first overview as the Chief Executive Officer of the Council for the reporting period 2022/2023. This period has been marked by growth, learning, and numerous opportunities for exploration as ECSA continues to ensure effective regulation of the engineering profession.

In this overview, I therefore seek to provide progress on the strategic initiatives, reflect on the achievements and challenges encountered as well as chart a clear way forward for the upcoming two financial years.

### **PERFORMANCE INFORMATION**

#### **PERFORMANCE PERSPECTIVE**

FY22/23 as ECSA embarks on the initial steps of identifying a high-performance culture. This however had some growing pains and as such the performance for FY22/23 came down to 54% from FY21/22 72%. The biggest change was seen in the number of goals which had interdependencies, and this has been addressed in the planning for FY24/25 by providing fewer strategic measurable goals that are within the operational control of the division.

ECSA is looking to develop a customer-centric high-performance culture that seeks to provide its stakeholders with better service. Annual stakeholder surveys will be sent out to all stakeholders and the feedback incorporated in the continuous improvement processes.

#### **FINANCIAL PERSPECTIVE**

The financial statements summarise the current position of the organisation to reflect a financially solid organisation. The areas of concern driving our growth strategy is to manage the attrition from the register by increasing conversion rates through more efficient business processes, targeting programmes that are frustrating candidates and attracting more graduates into the candidacy pipeline through structured candidacy programmes. The unqualified audit provides a basis of continuous improvement of internal financial controls in the business assessing historical areas of weakness in procurement, contract management and business policy instruments.

Governance of public interest money is of paramount importance and ECSA will continue to ensure that funds collected are utilised to responsibly run the organisation in an efficient and sustainable manner. ECSA will be exploring how to use the reserves to benefit registered professionals in the sector in the coming years. The pandemic and status of the economy showed the fragility of the engineering industry when infrastructure projects and ECSA needs to play its part to support professionals.

### **STRATEGIC INITIATIVES**

#### **IDENTIFICATION OF ENGINEERING WORK (IDOEWS):**

Over the past two financial years, ECSA has engaged in extensive consultations on the Identification of Engineering Work (IDOEWS). This process involved gathering input from stakeholders and sharing the implications of the IDOEWS on the profession while seeking support from the broader sector.

During these consultations, we identified areas for improvement in the gazetted IDoEW, based on feedback from the sector. As a result, we have extended the implementation of the IDoEW by one year and we will be re-gazetting to indicate the date in 2025. This extension will allow us to conduct further consultations, address sectors where peculiarities exist, develop an enforcement framework, test it legally, present it for comments and benchmark it against frameworks developed by other regulatory bodies.

## GUIDELINE FEES

In the current reporting period, ECSA has engaged with the Competition Commission to provide clarity on the input and criteria that form the Guideline Fees, which were gazetted in 2021. As part of our progress toward obtaining approval for the Guideline Fees, we have been engaging proactively with the Commission and will be holding workshops on the guideline fees so we can reach a resolution on how to guide the sector in line with the Competition Act.

## STRATEGIC REVIEW

The strategic review process, undertaken in the current financial year, is a key initiative addressed at length by the President in her foreword. This review will inform the program of action for ECSA over the next two financial years. Our focus areas include developing and enhancing internal capabilities through learning and staff engagement, aligning with relevant national policy imperatives, ensuring good governance, attracting investors, improving internal processes and systems, and strengthening stakeholder relations through engagement and renewed service promises.

## STAKEHOLDER RELATIONS

Stakeholder relations play a pivotal role in our organisation, enabling us to form strategic partnerships for the benefit of the engineering profession. During the reporting period, ECSA has identified opportunities to explore with existing stakeholders, including Voluntary Associations (VAs), Higher Education Institutions, government, and public entities, as well as our internal staff members.

We aim to engage with VAs through mentorship programs to support our candidates and collaborate with public sector employers to benefit from “road-to-registration” workshops. Additionally, we are engaging universities to understand their incorporation of digitalisation and determine how we can assist unregistered academics. Our engagements with government bodies such as the Council for the Built Environment and the Department of Public Works and

Infrastructure aim to enhance collaboration, gain credibility, facilitate the EPA amendment Act, and jointly deliver professionalisation of the public sector.

## WAY FORWARD

The next two financial years will witness a change in focus, with ECSA striving to become a more service-oriented organisation. We aim to grow our pipeline and enhance our operations to better serve our stakeholders. This repositioning requires us to adopt a developmental approach for our staff members, equipping them with the necessary skills to effectively assist and respond to the needs of our registered persons.

Key to this transformation is the improvement of our IT systems to ensure a more user-friendly experience with our platforms and services. We will also focus on digitising the entire ECSA value chain, fundamentally transforming our business model, and enhancing digital skills, processes, and technology across the organisation. Through internal realignment and repositioning of the ECSA brand, we aim to instil confidence in our stakeholders, strengthen our credibility.

## ACKNOWLEDGEMENTS

I would like to express my sincere gratitude and appreciation to the President, Vice President, and the executive leadership for their unwavering support and exceptional leadership. None of the achievements we have made in this past year would have been possible without their guidance and dedication.

I extend my heartfelt thanks to all our employees for their hard work, passion, and unwavering commitment towards fulfilling the mandate of ECSA. Their dedication and contributions have been instrumental in driving our success and making a positive impact on the engineering profession.

Together, we have accomplished significant milestones, and I look forward to our continued collaboration as we embark on the journey ahead. Thank you all for your remarkable efforts and commitment to ECSA's mission and vision.



**Dr Bridget Ssamula**  
Chief Executive Officer

## 5. STATEMENT OF RESPONSIBILITY

### STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the Annual Report is consistent with the Annual Financial Statements audited by Lunika Inc.

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

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

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

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

The accounting authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the Human Resources information, and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, performance information, Human Resources information, and the financial affairs of the entity for the financial year ended 31 March 2023.





## 6. STRATEGIC OVERVIEW

The Engineering Council of South Africa (ECSA) is a statutory regulatory body established in terms of Section 2 of the Engineering Profession of South Africa Act, 46 of 2000.

### VISION

An effective regulator assuring engineering excellence.

### MISSION

ECSA seeks to achieve this vision by:

- Determining engineering standards for education, accreditation and registration;
- Registering engineering practitioners;
- Developing and sustaining a relevant, transformed, competent and internationally recognized engineering professional practice standards;
- Enforcing compliance with education, training, registration, continuing education and professional practice standards;
- Maintaining a competent workforce, efficient and adequate governance structures and systems;
- Educating the public on expected engineering quality standards and protecting the interests of the public against sub-standard quality of engineering work;
- Regulatory efforts to ensure environmental protection;
- Engaging with Government to support national priorities, including transformation of the engineering profession; and
- Instituting collaborative efforts with ECSA stakeholders with a view to enhancing ECSA offerings.

### VALUES

- **Professional**  
Conduct beyond reproach to the highest ethical standards underpinned by integrity, quality, timeliness, trust and respect.
- **Accountable**  
Doing what we commit to doing in an environment of trust and respect and being answerable for our failures in pursuit of our committed obligations.
- **Collaborative**  
Working as a team to achieve exceptional results.
- **Transparent**  
Honest and open communication and sharing of information among stakeholders.
- **Innovative**  
Utilising creative energies in collaboration with ECSA stakeholders to identify improved, enhanced and more cost-efficient engineering-practice solutions.

Figure 1: Vision, mission and values

## 7. LEGISLATIVE AND OTHER MANDATES

ECSA is a statutory body established in terms of section 2 of the EPA. The EPA superseded the 1990 and 1968 Acts and progressively extended ECSA's scope beyond the original purpose, namely to regulate professional engineers. ECSA and its predecessor have thus regulated the engineering practice for more than forty (40) years.

ECSA exists as a regulatory body for the engineering profession because it has been recognised that, while engineering activity is essential and beneficial to society and the economy, it also poses substantial risks to health, safety and the environment, which must be managed effectively by competent professionals. In addition, engineering services must be of adequate quality in the interests of the economy and eliminate waste.

With these objectives in mind, the EPA requires and empowers ECSA to perform the following functions:

- Establish an Engineering Standards Generating Body (ESGB) and develop standards for engineering education and professional competency;
- Visit education providers to evaluate programmes and accredit educational programmes that meet the educational requirements towards registration in each of the categories;
- Register persons in professional categories who demonstrate competency against the standards for the categories;
- Evaluate educational qualifications that are not already accredited or recognised;
- Register persons who meet educational requirements in candidate categories;
- Establish specified categories of registration to meet specific health and safety licensing requirements and register persons in these categories;
- Require Registered Persons to renew registration at intervals and under conditions that the Council prescribes;
- Enter into international agreements for the recognition of educational programmes and registration;
- Develop and maintain a code of conduct, supported where necessary by codes of practice;
- Investigate complaints of improper conduct against Registered Persons and conduct enquiries and impose sanctions as each case requires;

- Publish guidelines on professional fees and scope of work on an annual basis;
- Recognise VAs;
- Recommend ECSA's identification of the type of engineering work that may be performed by persons registered in any category to the CBE.

In addition, ECSA is empowered to advise government and other parties and take the necessary steps to protect the public interest, maintain health and safety, improve standards of engineering services, create awareness of the need to protect the environment and conduct research.

The professional regulation of engineering in South Africa dates from the Professional Engineers' Act 1968 (Act 81 of 1968) that provided for the registration of professional engineers.

The EPA expanded registration to engineering technologists, engineering technicians, and certificated engineers. The EPA established ECSA in its present form and gave professional status to engineering technologists, engineering technicians, and certificated engineers.

ECSA executes its mandate on the basis of the EPA, while being mindful of the following key legislations, regulations, policies and best practices guidelines to exercise good governance, ethical leadership and corporate citizenship:

- Republic of South Africa Constitution, Act 108 of 1996
- Labour Relations Act, 66 of 1995
- Occupational Health and Safety Act, 85 of 1993
- Skills Development Act, 97 of 1998
- Employment Equity Act, 55 of 1998
- Promotion of Administrative Justice Act, 3 of 2000
- Promotion of Access to Information Act, 2 of 2000
- Protection of Personal Information Act, 4 of 2013
- King IV Report™ on Corporate Governance for South Africa 2016
- Council for the Built Environment Act, 43 of 2000
- All other (relevant/applicable) Built Environment Acts and Regulations
- All other (relevant/applicable) Built Environment Policy and Regulatory frameworks

## 8. ORGANISATIONAL **EXECUTIVE STRUCTURE**



**DR BRIDGET SSAMULA**  
CHIEF EXECUTIVE OFFICER



**MR COX MOKGORO**  
CHIEF FINANCIAL OFFICER



**ADV TEBOGO MOGOSOANA**  
EXECUTIVE : LEGAL SERVICES



**MR EDMUND NXUMALO**  
EXECUTIVE : RESEARCH POLICY  
AND STANDARDS



**DR FRANCISKA BOTHMA**  
EXECUTIVE REGULATORY  
FUNCTIONS



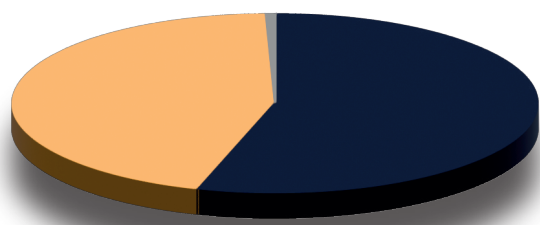
PART B  
PERFORMANCE  
INFORMATION





# 1. PERFORMANCE INFORMATION

ORGANISATIONAL PERFORMANCE FY22/23 FINANCIAL YEAR



● Achieved
 ● Not achieved including financials
 ● Pending

Figure 2: Organisational Performance FY22/23 Financial Year

ORGANISATIONAL PERFORMANCE EXCL. FINANCIAL INDICATORS

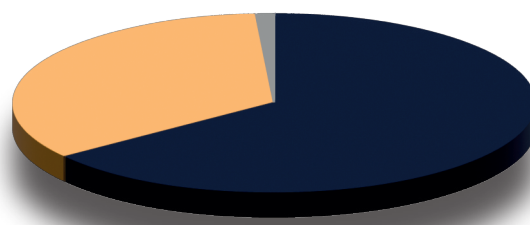


Figure 3: Organisational Performance Excl. Financial Indicators

## ECSA PERFORMANCE

During the 2022-2023 financial year, ECSA adopted the balanced scorecard method of measuring performance metrics to improve its internal operations and fulfil the organisational external outcomes to develop a high-performance culture. This was the first time the metrics was used by the organisation.

Based on this metrics to measure performance, the financial metrics specified that a lack of adherence to budget was punitive. These were mostly operational savings as a result of the business finding more efficient ways that were costed as a result of the pandemic (example Virtual meetings). As a result, these targets were reflected as unachieved by the end of the financial year resulting in a 54.8 percent organisational performance. However, when these savings targets are excluded from the organisation, the overall performance of the organisation is at sixty-three (63) percent.

## 2023-2024 APP DEVELOPMENT

In the fourth quarter of the period under review the 2023/2024 Annual Performance Plan was approved and the balanced scorecard strategy performance metrics will be adopted for the 2023/2024 financial year.

To mitigate the challenges incurred using this performance metrics as well as to ensure that departmental targets are achievable and within the operation control of the Divisions & Business Units. Furthermore, the organisation has adapted a reiterative process of developing the OPP's from the APP and reviews held jointly by the quality, strategic services and the HR leaders to manage interdependencies and the narrative around the cross-cutting indicators in Human resources and Finance.

## 2. STRATEGIC SERVICES

The Engineering Council of South Africa for the reporting report focused on achieving alignment and expanding engagements with stakeholders. These stakeholders were identified in the ECSA Stakeholder Engagement Strategy and the Stakeholder Engagement Implementation Plan, which were developed based on extensive research to understand the needs and expectations of the stakeholders.

While the Engagement Strategy and Implementation Plan provided guidance on key communication efforts, there was a gap in terms of a communication protocol outlining who should engage with the identified stakeholders and how this engagement should be structured. To address this gap, an organisational communication strategy was formulated and approved. This strategy integrates elements from the Stakeholder Engagement Strategy and includes a communication proposal to enhance communication among ECSA staff members.

In addition to the existing communication channels, such as the campaign corner, internal platforms like WhatsApp were leveraged to disseminate key messages to internal stakeholders. These supplementary communication efforts aimed to ensure effective information flow within the organisation.

### 2.1 ROAD TO REGISTRATION WORKSHOPS

For the reporting period, ECSA actively engaged with various programmes and stakeholders, making notable progress in expanding reach. One such initiative is the Road to Registration Workshops, which continue to play a pivotal role as a marketing and information dissemination tool for engineering practitioners seeking professional registration with ECSA. In the current reporting period, ECSA collaborated with the following organisations to conduct the Road to Registration Workshops:

Table 1: Road to Registration workshop collaborations

DATE	FACILITATOR	STAKEHOLDER	PLATFORM
12 April 2022	Moleen Nzombe	Thyssenkrupp Solutions	Microsoft Teams
26 April 2022	Tebogo Machabe	Railway Safety Regulations	Microsoft Teams
31 May 2022	Elekanyani Ndlovu	Eskom	Microsoft Teams
25 July 2022	Mokwape Lekganyane	KZN Science Centre	Microsoft Teams
12 August 2022	Elekanyani Ndlovu	Tshwane University of Technology	Tshwane University of Technology, Pretoria West Campus
17 August 2022	Moleen Nzombe	UNISA	Microsoft Teams
22 September 2022	Megan Schalkwyk	University of KwaZulu Natal	Microsoft Teams
07 October 2022	TC Madikane	Sentech	Microsoft Teams
24 October 2022	Yanko Banda	GIBBS	Microsoft Teams
08 February 2023	Kudakwashe Zumbika	Goodyear	Microsoft Teams
03 March 2023	Jones Moloisane	University of Pretoria	University of Pretoria Main Campus
18 March 2023	Jones Moloisane	University of Johannesburg	University of Johannesburg Kingsway Campus

## CANDIDATE WEBINARS

In the previous financial year, we initiated the Candidate Webinars on the different categories of professional registration. The Webinars are tailored to guide engineering practitioners and registered candidate engineers on the requirements of each registration category.

The Webinars are open to members of the public and the following were conducted for the reporting period:

Table 2: Webinars

DATE	FACILITATOR	STAKEHOLDER	PLATFORM
09 June 2022	Refilwe Mokgosi	Public	Microsoft Teams
16 August 2022	Tshwari Ramagofu	Public	Microsoft Teams
20 August 2022	Tshwari Ramagofu	Public	Microsoft Teams
30 March 2023	Refilwe Mokgosi	Public	Microsoft Teams

## 2.2 EXTERNAL COMMUNICATION

The organisation's external communication initiatives are strategically aligned with the organisation's objectives and marketing campaigns. Through a combination of traditional and new media channels, these communication efforts aim to raise awareness of the ECSA brand, effectively convey the

organisation's key messages, and ultimately drive engagement and facilitate professional registration with ECSA.

The following channels are used to communicate with external stakeholders:

## SOCIAL MEDIA

One of the primary focuses during the reporting period was to enhance the organisation's social media presence and increase social media following on all platforms by 10%. We are pleased to report that this target was overachieved. The following table provides a comparison of the social media following between 1 April 2022, and 31 March 2023:

Table 3: Social Media following

PLATFORM	31 MARCH 2022	31 MARCH 2023
Twitter	4 429	5 504
Facebook	12 502	15 307
Instagram	368	782
LinkedIn	4 708	27 490
YouTube	239	464

This achievement can be attributed to the various campaigns initiated, the coverage of events that ECSA participated in or initiated, pronouncements made as well as the information on key ECSA programmes.

## MEDIA RELATIONS

Members of the media remain a critical stakeholder for the organisation. These stakeholders augment the communication reach that ECSA has with its other stakeholders, and they provide objective reporting allowing ECSA to gauge the perception of its stakeholders on reported material.

For the reporting period, a 20% increase in media coverage across all media platforms was required. The target was met and below is a depiction of the increase:

Table 4: Increase in media coverage

PLATFORM	31 MARCH 2022	31 MARCH 2023
Broadcast	5	116
Online	255	385
Print	113	142

The increase in media coverage is informed by the media products distributed to media houses, interviews conducted with radio stations, media responses provided on queries as well as mentions by stakeholders.

## 2.3 INTERNATIONAL RELATIONS

The Engineering Council of South Africa recognises the significance of its affiliation with international engineering organisations in reinforcing its commitment to upholding global education and practice standards. Through these affiliations, ECSA establishes strategic partnerships, enhances its profile, and positions both ECSA and South Africa on the international stage, highlighting the Council's crucial role in regulating the engineering profession.

During the reporting period, ECSA actively participated in various international conferences, Annual General Meetings, speaking engagements, symposiums, and events. These engagements provided valuable opportunities for knowledge exchange, collaboration, and showcasing ECSA's initiatives to a global audience.

A notable achievement resulting from these engagements was the announcement by the Executive Board of the Federation of African Engineering Organizations (FAEO) granting ECSA the rights to host the 9th UNESCO African Engineering Week (AEW) 2023 and the 7th Africa Engineering Conference. This recognition not only affirms ECSA's leadership in the engineering community but also highlights South Africa's dedication to promoting engineering excellence and sustainable development within the African continent.

The announcement followed ECSA's active participation in the African Engineering Week and Conference held in Addis Ababa, Ethiopia. Under the theme "Accelerating Sustainable Infrastructure Development in Africa Together", this conference provided a platform to discuss sustainable infrastructure development, its impact on improving living standards, leveraging natural resources, enhancing health, and driving industrialisation.

Another significant achievement during the reporting period was ECSA's participation in the global celebration of International Engineering Day on 4 March each year. ECSA joined the international engineering community in commemorating this day by adopting a month-long programme aligned with the theme set by the World Federation of Engineering Organizations: "Engineering Innovation for a More Resilient World." The programme, conducted in collaboration with the motor industry, education sector, government, and water industry, aimed to raise awareness about the pivotal role of engineering in addressing climate change and advancing sustainable development.

These international engagements, coupled with ECSA's representation on the FAEO Executive Board, have substantially expanded ECSA's international presence and influence. Furthermore, they will contribute to ECSA's capacity-building initiatives, enabling the Council to strengthen its programs and support the professional development of engineers in South Africa and beyond.

As ECSA continues to actively engage with international engineering organisations, it remains dedicated to advancing the engineering profession, fostering global collaboration, and promoting the highest standards of competence and ethical conduct.



PART C  
GOVERNANCE



# 1. APPOINTMENT OF THE COUNCIL

The Engineering Profession Act, 46 of 2000, established the Council as the governing body of ECSA. In terms of section 3 of the Engineering Profession Act, Council is appointed by the Minister of Public Works and Infrastructure (Executive Authority of ECSA) from the following categories:

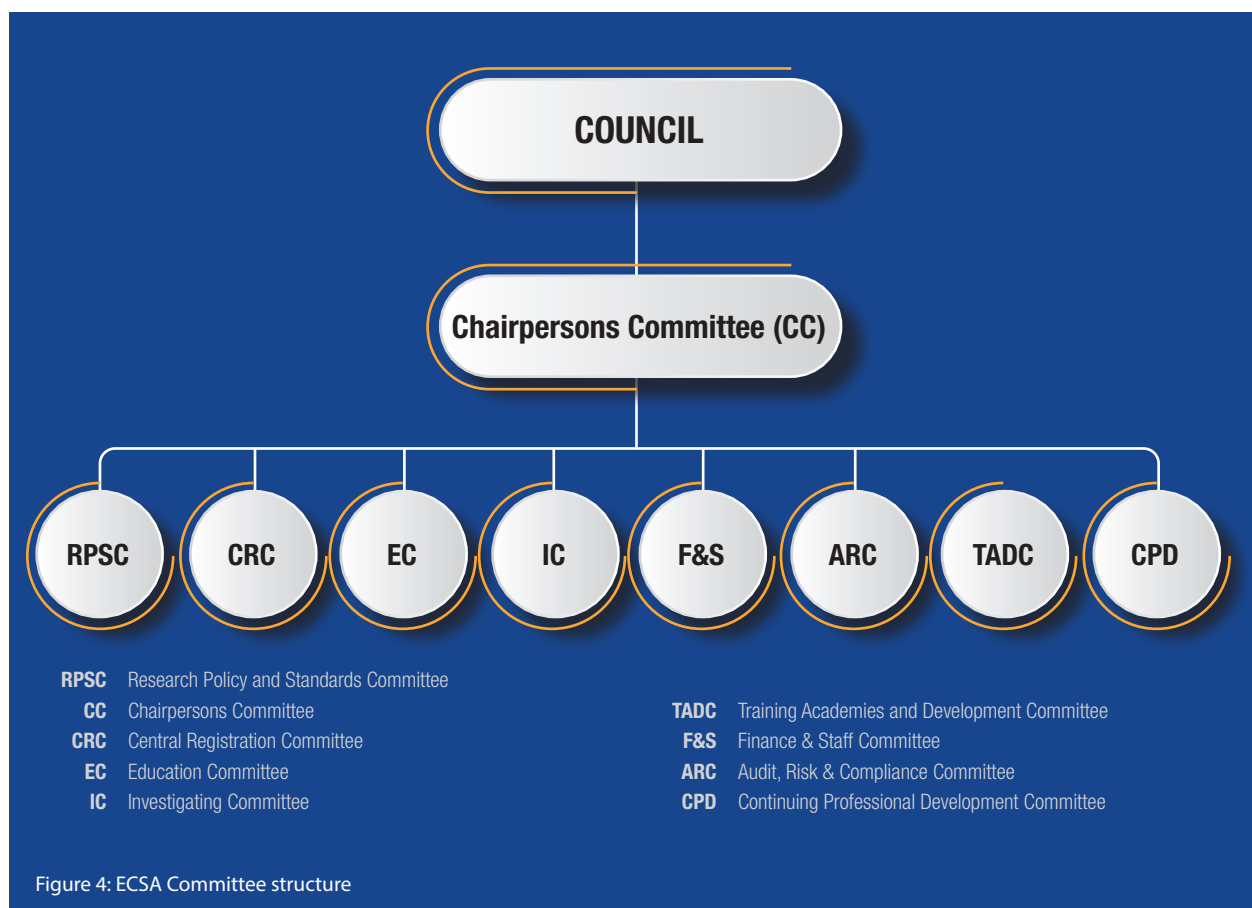
- Section 3(1) (a) - Thirty (30) registered persons excluding candidates, of whom at least 20 are actively practicing in the Engineering Profession.
- Section 3(1) (b) - Ten (10) persons of whom at least six (6) must be professionals in the service of the State and must actively be practising in the Engineering Profession.

- Section 3(1) (c) - Ten (10) members of the public, nominated through an open process of public participation.

## COMMITTEE STRUCTURE

To enable the discharge of the Council's mandate to enhance organisational efficiency and effectiveness, and in line with Council's strategy, the Council has appointed eight (8) High Impact Committees.

The Council's Committee Structure is depicted below:



## 1.1 THE ROLE OF COUNCIL

The term of office for the Council is four years. The Sixth Term Council started its tenure in December 2020.

In line with governance best practice:

- All members of the Council are non-executive and independent;
- The Council actively plays its role of oversight and giving strategic direction; and
- The Standing Orders for Council and Committees of Council together with the Terms of Reference for Committees have been duly approved by the Council and regulates the affairs of Council and the Conduct of Meetings.

## 1.2 MEMBERS OF COUNCIL FOR THE YEAR UNDER REVIEW

Table 5: Members of the Council for the year under review

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
1.	<b>Ms R Buthelezi</b>	Profession	20 November 2020	B Eng in Electrical and Electronic Engineering 2006 Master of Engineering Management 2011 Masters in Business Leadership 2015	CC	5/5
2.	<b>Ms P Madiba</b>	Profession	20 November 2020	PGD in Business Management GDE in Industrial Engineering Masters in Engineering Management	CC IC CRC	4/5
3.	<b>Ms T Ramagofu</b>	Profession	20 November 2020	BSC in Engineering 2006	CC RPSC TADC CPDC	5/5
4.	<b>Mr J Daniels</b>	Profession	20 November 2020	BSC in Mechanical Engineering (Univ of Miami, FL, USA) 1992 Senior Managers Program (University of Stellenbosch, 2000) Quality Management Systems Auditor 2005 (SAATCA)	IC ARC	4/5
5.	<b>Prof K Nyembwe</b>	Profession	20 November 2020	DTECH in Mechanical Engineering 2012 MCOM in Business Management 2014 MTECH in Metallurgy Engineering 1999 BSC (Hons) in Metallurgy Engineering 1994	CC RPSC EC	4/5
6.	<b>Mr S Zimu</b>	Profession	20 November 2020	National Diploma in Civil Engineering 1989 National Higher Diploma in Civil Engineering 1990 BSC in Civil Engineering 1995	IC CPDC	5/5
7.	<b>Mr TC Madikane</b>	Profession	20 November 2020	National Diploma in Electrical Engineering 1991 BSC in Electrical Engineering 1996 Diploma in Project Management 1997 Post Graduate Diploma in Business Management 1999	CC	5/5

Table 5: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
8.	Mr S Mkhize	Profession	20 November 2020	BSC (Eng) 1985 MDP 1992 Hons (BB&A) 2002	CC RPSC	4/5
9.	Ms N Rampersad	Profession	20 November 2020	BSC Chemical Engineering 1999 Management Development Diploma Program (MDP) 2002 Bachelor of Business Management and Administration (Hons) (BBAH) 2005 Master Business Management and Adminsitration (MBA) 2007	IC CRC	4/5
10.	Ms L Smith	Profession	20 November 2020	B.ENG (Industrial) 1997 M.ENG (Engineering Management) 2016	TADC	4/5
11.	Ms R Lesufi	Profession	20 November 2020	BSC Civil Engineering 2000 MSC Civil Eng 2007	CRC	5/5
12.	Dr S Skorpen	Profession	20 November 2020	B.ENG Civil Engineering 2001 M.ENG Structural Engineering 2013 PHD Civil Engineering 2020	IC CC	4/5
13.	Ms A Sole	Profession	20 November 2020	B.ENG Civil Engineering 2010 B.ENG (Hons) Structural Engineering 2012 M.ENG Masters in Engineering Management 2014 Executive Master of Business Administration 2020	CRC	5/5
14.	Mr S Jekwa	Profession	20 November 2020	BSC Civil Engineering 2013		5/5
15.	Ms L Njomane	Profession	20 November 2020	National Diploma in Mechanical Engineering 2003 BTECH in Quality 2009 BTECH in Mechanical Engineering 2014 MPHIL in Engineering Management 2018	CC TADC	5/5
16.	Mr M Ramuhulu	Profession	20 November 2020	Master of Engineering (M.ENG) 2022 Master of Business Administration (MBA) (General) 2017 BTECH in Electrical Engineering 2013 National Diploma in Electrical Engineering	IC CPDC	5/5
17.	Ms P Mdletshe	Profession	20 November 2020	National Diploma in Civil Engineering 2010 Post Grad Diploma in Project Management 2016 BTECH in Civil Engineering (Water) 2019	CRC CPDC	4/5
18.	Mr L Boshomane	Profession	20 November 2020	National Diploma in Civil Engineerng 2012 B TECH in Civil Engineering Specialising in Urban Engineering 2018 Master of Business Administration 2022	RPSC CPDC	5/5

Table 5: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
19.	Ms A Mtshali	Profession	20 November 2020	Senior Management Transition Programme 2018 Middle Management Programme 2016 B TECH in Electrical Engineering 2003 National Diploma in Electrical Engineering 2000	RPSC	4/5
20.	Mr T Memela	Profession	20 November 2020	Diploma in Electrical Engineering 2007 B TECH Electrical Engineering 2013 Master of Business Administration (MBA) 2019	CRC F&S	5/5
21.	Prof C van Zyl	Profession	20 November 2020	NHD Mechanical Engineering 1989 PHD in Mechanical Engineering 2012 M TECH in Mechanical Engineering 2008	EC	5/5
22.	Mr R Moloisane	Profession	20 November 2020	NDIP in Civil Engineering 1997 B TECH Civil Engineering 1999 M TECH Civil Engineering 2002 Dip in Project Management 2003 BSC (Hons) Civil Engineering 2006 MSC Civil Engineering 2010 PGDIP In Pedagogical Studies – Vocational Teacher Education 2021 Master of Business Administration (MBA) 2022	IC EC RPSC	4/5
23.	Mr N Nhleko	Profession	20 November 2020	B TECH Civil Engineering 2010	CPD	4/5
24.	Prof E Theron	Profession	20 November 2020	National Dipoma 1986 National Higher Diploma 1988 M TECH Civil Engineering 1997 PHD 2002	IC EC	5/5
25.	Mr A Sommer	Profession	20 November 2020	Rigger 2013	CPD	4/5
26.	Ms R Ledwaba	Profession	20 November 2020	National Diploma Electrical 2008 Trade Certificate 2007	EC	5/5
27.	Mr N Smit	Profession	20 November 2020	National N3 Certificate 2000 Rigger 2002 Advanced Certificate in Management Studies 2014	IC CRC	5/5
28.	Ms S Mngomezulu	State	20 November 2020	National Diploma in Mechanical Engineering 2005 Diploma in Project Management 2008 B TECH Mechanical Engineering 2015 B TECH Management 2017 Advanced Diploma in Business Management 2019 Master of Commerce: Leadership: 2022	TADC	3/5

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Table 5: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
29.	Mr T Gamedze	State	20 November 2020	BSC Studies 1980 BS Electrical Engineering 1984 MS Management 1989	CRC	5/5
30.	Ms P Zweni	State	20 November 2020	Post Graduate Diploma in General Management 2019	IC	4/5
31.	Adm B Mvovo	State	20 November 2020	BSC Mechanical Engineering 2005 Masters of Business Administration in Executive Management (EMBA) 2016 Diploma in Joint and Multilateral Operations (Military) 2016	EC	3/5
32.	Dr P Sibiya	State	20 November 2020	National Diploma In Civil Engineering 2001 B TECH Civil Engineering 2005 Masters In Business Administration 2011 Post Grad Diploma in Project Management 2013	RPSC	4/4
33.	Ms C Mbola	State	20 November 2020	National Diploma in Civil Engineering 2005 Diploma in Project Management 2008 B TECH Construction Management Civil 2009 B TECH Geotechnical Engineering Civil 2012 Municipal Finance Management Programme 2013 Master of Business Leadership 2022	CRC ARC	4/5
34.	Dr T Mwelase	State	20 November 2020	Diploma in Civil Engineering 2000 B TECH In Civil Engineering 2004 Masters In Business Administration 2011 M ENG Civil Engineering 2016	CRC CPDC	4/5
35.	Ms T Chili	Public	20 November 2020	Master of Business Administration (MBA) 2013 B PHARM 2003	EC	4/5
36.	Mr S Keswa	Public	20 November 2020	Master of Business Administration 2017 Masters in Environmental Management 2013 B TECH in Management 2011 B TECH in Nature Conservation 2010	F&S	5/5
37.	Ms S Tolo	Public	20 November 2020	BSC in Mechanical Engineering 2006 M ENG Nuclear Engineering 2019	TADC	4/5

Table 5: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
38.	Ms N Sampson	Public	20 November 2020	Master of Public Administration (MPA) 2014 Certified Ethics Officer (Inst. of Ethics SA) 2014 Bachelor of Social Science (BSOCSC) 1995 Post Graduate Diploma in Compliance Management 2019 Certificate in Board Governance 2017	ARC	5/5
39.	Ms S Mutleni	Public	20 November 2020	Bcom Accounting 2001 Management Development Programme 2010 SAP FICO Certified 2017	F&S ARC	4/5
40.	Mr M Mailula	Public	20 November 2020	BSC Computer Science 1987 BSC (Hons) Computer Science 1997	CC ARC	5/5
41.	Dr N Skeepers	Public	20 November 2020	PHD in Engineering Management 2016	F&S TADC	5/5
42.	Mr M Modipa	Public	20 November 2020	PHD Candidate (Current) MSC Leadership & Innovation (2008) Post-Graduate Diploma In Bus. Admin (PGDBA) (2010) BCOM Finance & Marketing (1993) Certification Courses Herriot-Watt University, Scotland Project Management (2010) Accounting (2009) Economics (2001) Negotiations (2000) Strategies for Change (2000) Organizational Behaviour (1996) Corporate Governance & Board Effectiveness (2021)	CC F&S	5/5
43.	Dr R Legoabe	Public	20 November 2020	Aim 2007 Post Graduate Diploma in Management 2008 National Diploma HRM 2009 Masters Degree in Business Administration 2012 Doctoria Technologiae 2017 Bachelor in Law (LLB) - 2023	ARC EC CPDC	5/5

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Table 6: Committee meeting attendance

NAME	COUNCIL	CC	ARC	CRC	EC	F&S	IC	RPSC	TADC	CPDC
1. Ms S R M Buthelezi	5/5	3/4								
2. Mr J L Boshomane	5/5							5/5		4/4
3. Ms T Chili	4/5				5/5					
4. Mr J H E Daniels	4/5		7/9				5/5			
5. Mr S Jekwa	4/5									
6. Mr T Gamedze	5/5			5/5						
7. Mr S Keswa	5/5					9/9				
8. Ms R Ledwaba	5/5				5/5				4/4	
9. Dr R S Legoabe	5/5		9/9		5/5					4/4
10. Ms R Lesufi	5/5			5/5						
11. Ms R P Madiba	4/5	1/4		1/5			5/5			
12. Mr T C Madikane	5/5	4/4								
13. Mr M I Mailula	5/5	4/4	8/9							
14. Ms C Mbola	4/5		5/9	1/5						
15. Ms P P Mdletshe	4/5			5/5						4/4
16. Mr T D Memela	5/5			5/5		7/9				
17. Mr S Mkhize	4/5	3/4						5/5		
18. Ms S Mngomezulu	3/5								3/4	
19. Mr M E Modipa	5/5	4/4				8/9				
20. Mr R J Moloisane	4/5				4/5		4/5	4/5		
21. *Ms O Mthethwa										
22. Ms H A Mtshali	4/5							4/5		
23. Ms S Mutileni	4/5		8/9			8/9				
24. Adm B Mvovo	3/5				3/5					
25. Dr T Mwelase	4/5			2/5						1/4
26. Mr N Nhleko	4/5							5/5		3/4
27. Ms L Njomane	5/5	4/4							4/4	
28. Prof K D Nyembwe	4/5	4/4			4/5			4/5		

Table 6: Committee meeting attendance (continued)

NAME	COUNCIL	CC	ARC	CRC	EC	F&S	IC	RPSC	TADC	CPDC
29. *Mr K O'Jageer										
30. Ms A Sole	5/5			5/5						
31. Ms T Ramagofu	5/5	0/4						3/5	3/4	2/4
32. Ms N Rampersad	4/5			5/5			5/5			
33. Mr M Ramuhulu	5/5						4/5			4/4
34. Ms N Sampson	5/5		8/9							
35. Dr P F Sibiya	4/5							2/5		
36. Dr N Skeepers	5/5					8/9			4/4	
37. Dr S Skorpen	4/5	4/4					4/5			
38. Mr N Smit	5/5			4/5			5/5			
39. Ms L Smith	4/5								4/4	
40. Mr A H Sommer	4/5								2/4	3/4
41. Prof E Theron	5/5				4/5		4/5			
42. Ms S Tolo	4/5								4/4	
43. Prof C A A van Zyl	5/5				5/5					
44. Mr S N Zimu	5/5						5/5			4/4
45. Ms P Zweni	4/5						1/5			

\* Mr K O'Jageer (Resigned) 25/04/2022

\* Ms O Mthethwa (Resigned) 02/12/2022

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## 2. HIGH IMPACT COMMITTEE MEMBERS AND ATTENDANCE

The following High Impact Committee meetings were attended by members of the Sixth Term Council for the reporting period April 2022 - March 2023:

**NAME OF COMMITTEE:** CHAIRPERSONS COMMITTEE (CC)

**NUMBER OF COMMITTEE MEMBERS:** 10

Table 7: Chairperson's Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms R Buthelezi	4	3
2.	Mr T Madikane	4	4
3.	Mr M Mailula	4	4
4.	Mr S Mkhize	4	3
5.	Mr M Modipa	4	4
6.	Dr S Skorpen	4	4
7.	Ms P Madiba (Appointed)	4	1
8.	Ms L Njomane	4	4
9.	Prof K Nyembwe	4	4
10.	Ms T Ramagofu (Appointed)	4	0
11.	Ms O Mthethwa (Resigned)	0	0

\* Ms O Mthethwa (Resigned) 02/12/2022

\* Mr P Madiba – (Appointed ) 02/11/ 2022

\*Ms T Ramagofu – (Appointed ) 02/11/2022

**NAME OF COMMITTEE:** AUDIT, RISK AND COMPLIANCE COMMITTEE (ARC)

**NUMBER OF COMMITTEE MEMBERS:** 8

Table 8: Audit, Risk and Compliance Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr M Mailula	9	8
2.	Ms N Sampson	9	8
3.	Mr J Daniels	9	7
4.	Dr R Legoabe	9	9
5.	Ms C Mbola	9	5
6.	Ms S Mutileni	9	8
7.	Mr A Nqwaba	9	8
8.	Mr J Rockson	9	9

**NAME OF COMMITTEE:** FINANCE AND STAFF COMMITTEE (F&S)

**NUMBER OF COMMITTEE MEMBERS:** 8

Table 9: Finance and Staff Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr M Modipa	9	8
2.	Ms S Mutileni	9	8
3.	Mr S Faku	9	9
4.	Mr S Keswa	9	9
5.	Mr Z Khuzwayo	9	7
6.	Mr T Memela	9	7
7.	Mr A Nqwaba	9	8
8.	Dr N Skeepers	9	8



**NAME OF COMMITTEE:** INVESTIGATING COMMITTEE (IC)

**NUMBER OF COMMITTEE MEMBERS:** 10

Table 10: Investigating Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms S Skorpen	5	4
2.	Mr J Daniels	5	5
3.	Ms P Madiba	5	5
4.	Mr R Moloisane	5	4
5.	Ms N Rampersad	5	5
6.	Mr M Ramuhulu	5	4
7.	Mr N Smit	5	5
8.	Prof E Theron	5	4
9.	Mr S Zimu	5	5
10.	Ms P Zweni	5	1

**NAME OF COMMITTEE:** CONTINUED PROFESSIONAL DEVELOPMENT COMMITTEE (CPDC)

**NUMBER OF COMMITTEE MEMBERS:** 11

Table 11: Continued Professional Development Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr T Madikane (Stepped down)	4	2
2.	Ms T Ramagofu (Appointed)	4	2
3.	Mr N Nhleko	4	3
4.	Mr L Boshomane	4	4
5.	Dr R Legoabe	4	4
6.	Dr D Madyira	4	4
7.	Ms P Mdletshe	4	4
8.	Dr T Mwelase	4	1
9.	Mr M Ramuhulu	4	4
10.	Mr C Schehage	4	4
11.	Mr A Sommer	4	3
12.	Mr S Zimu	4	4

\*Mr T Madikane (Stepped down due to being elected as Council Vice-President) – 21 July 2022

\*Ms T Ramagofu (Appointed) - 02/11/2022

**NAME OF COMMITTEE:** CENTRAL REGISTRATION COMMITTEE (CRC)

**NUMBER OF COMMITTEE MEMBERS:** 12

Table 12: Central Registration Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms O Mthethwa (Resigned)	5	4
2.	Ms P Madiba (Appointed)	5	1
3.	Ms R Lesufi	5	5
4.	Mr M Buthelezi	5	1
5.	Mr T Gamedze	5	5
6.	Ms C Mbola	5	1
7.	Ms P Mdletshe	5	5
8.	Mr T Memela	5	5
9.	Dr T Mwelase	5	2
10.	Mr K Ojageer (Resigned)	5	1
11.	Ms A Olukunle	5	5
12.	Ms N Rampersad	5	5
13.	Mr N Smit	5	4

Mthethwa (Resigned) 02/12/2022

\*Mr K Ojageer (Resigned) 25/04/2022

\*Ms P Madiba (Appointed) 02/11/2022

**NAME OF COMMITTEE:** EDUCATION COMMITTEE (EC)

**NUMBER OF COMMITTEE MEMBERS:** 12

Table 13: Education Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Prof K Nyembwe	5	4
2.	Adv E Bhero	5	5
3.	Ms T Chili	5	5
4.	Mr J Kae	5	5
5.	Ms R Ledwaba	5	5
6.	Dr R Legoabe	5	5
7.	Dr A Marnewick	5	4
8.	Mr R Moloisane	5	4
9.	Adm B Mvovo	5	3
10.	Prof E Theron	5	4
11.	Prof C van Zyl	5	5

**NAME OF COMMITTEE:** TRAINING ACADEMIES AND DEVELOPMENT COMMITTEE (TADC)

**NUMBER OF COMMITTEE MEMBERS:** 10

Table 14: Training Academies and Development Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms L Njomane	4	4
2.	Ms S Mngomezulu	4	3
3.	Mr M Buthelezi	4	2
4.	Mr S Dywili	4	4
5.	Ms R Ledwaba	4	4
6.	Ms T Ramagofu	4	3
7.	Dr N Skeepers	4	4
8.	Ms L Smith	4	4
9.	Mr A Sommer	4	2
10.	Ms S Tolo	4	4

**NAME OF COMMITTEE:** RESEARCH, POLICY AND STANDARDS COMMITTEE (RPSC)

**NUMBER OF COMMITTEE MEMBERS:** 13

Table 15: Research, Policy and Standards Committee

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr S Mkhize	5	5
2.	Ms A Mtshali	5	4
3.	Mr L Boshomane	5	5
4.	Mr D Havenga	5	4
5.	Caroline Eva	5	3
6.	Dr N Mbuli (Resigned)	5	3
7.	Mr R Moloisane	5	4
8.	Mr N Nhleko	5	5
9.	Prof K Nyembwe	5	4
10.	Ms T Ramagofu	5	3
11.	Dr S Ramsuroop	5	4
12.	Mr C Schnehage	5	4
13.	Ms P Sibiya	5	2

\*Dr N Mbuli (resigned) 13/10/2022

## 3. REMUNERATION OF COUNCIL MEMBERS

Table 16: Remuneration of Council Members

NAME	LAST NAME	GOVERNANCE	PEER SERVICES AND OTHER MEETINGS	TRAVEL RELATED	TOTAL
Sarah Refilwe Mpho	Buthelezi	52 334	475 694	93 673	621 701
Kasongo	Nyembwe	91 239	242 595	11 549	345 383
Thembinkosi Cedric	Madikane	49 938	215 826	48 773	314 536
Ranthekeg Jonas	Moloisane	45 005	265 794	2 724	313 523
Matome Edmund	Modipa	85 296	102 524	17 722	205 542
Abimbola Olajumoke	Sole	26 874	130 754	4 782	162 410
Mpho	Ramuhulu	60 292	95 969	1 205	157 466
Rachel	Ledwaba	19 385	148 586	3 394	171 365
Mamadi Isau	Mailula	80 515	25 941	3 753	110 209
Sejako Pauline	Tolo	17 672	86 697	11 865	116 235
Matladi Refilwe	Lesufi	35 290	70 579	1 234	107 103
Ramaesela Prudence	Madiba	32 215	73 367	-	105 582
Linda	Njomane	50 276	37 516	3 242	91 034
Philile Precious	Mdletshe	30 033	53 045	5 050	88 128
Lesetja Justice	Boshomane	55 914	18 867	6 742	81 523
Tshwaraganang	Ramagofu	39 170	36 914	1 584	77 668
Carlo Angelo Antonio	van Zyl	28 910	43 499	457	72 866
Sewela	Mutleni	73 693	6 508	-	80 201
Nirvana	Rampersad	32 338	33 910	-	66 248
Nirasha	Sampson	59 694	12 465	-	72 159
John Edward Henry	Daniels	45 828	12 465	428	58 721
Sifiso	Keswa	45 168	9 400	389	54 957
Reginald Sethole	Legoabe	45 325	12 521	1 045	58 891
Natalie Carol	Skeepers	50 612	3 254	-	53 866
Benjamin Nicholaas	Smit	33 924	10 821	5 065	49 810
Otilia	Mthethwa	6 413	22 876	19 612	48 901
Sarah Anne	Skorpen	27 732	7 431	486	35 649
Sandiswa Hluman	Jekwa	13 016	20 151	-	33 167
Nathaniel Simphiwe	Zimu	32 290	1 627	573	34 490
Thandeka Lovedalia	Chili	30 163	9 012	-	39 175
Sipo	Mkhize	30 037	9 012	-	39 049
Thulebona David	Memela	28 536	4 631	-	33 167
Holovisa Amelia	Mtshali	17 632	23 520	-	41 152
Liezl	Smith	8 135	1 627	-	9 762
Njabulo Muziwokuthula Nqaba	Nhleko	8 310	3 354	-	11 664
Arnold Heinz	Sommer	9 482	-	-	9 482
Cingisa	Mbola	4 931	-	-	4 931
Simangele Nozipho	Mngomezulu	-	4 390	-	4 390
Kemraj	Ojageer	-	-	-	-
Elizabeth	Theron	-	-	-	-
Thembinkosi	Gamedze	-	-	-	-
Phumza	Zweni	-	-	-	-
Bhekinkosi Williamson	Mvovo	-	-	-	-
Patronella Fikile	Sibiya	-	-	-	-
Lorraine Thulisile	Mwelase	-	-	-	-

## 4. REGULATION OF THE ENGINEERING PROFESSION

### 4.1 GENERAL

ECSA has a myriad of mandates embedded in the EPA. Amongst these mandates is a multi-faceted investigative legal mandate founded on the following legislative provisions:

- Section 14(g): taking any steps considered necessary for the protection of the public in their dealings with Registered Persons for the maintenance, integrity, and enhancement of the status of the engineering profession;
- Section 14 (j): taking any steps considered necessary, where, as a result of engineering-related undertakings, public health, and safety are prejudiced;
- Section 24: managing grievances (appeals) in relation to a decision to refuse to register an applicant;
- Section 28: investigation of alleged improper conduct by Registered Persons;
- Section 29: preferring charge(s) against Registered Persons, if sufficient grounds exist;
- Section 30: appointing a Disciplinary Tribunal to hear a charge(s) of improper conduct;
- Section 31: to conduct a Disciplinary Hearing;
- Section 33: managing grievances (appeals) in relation to the decisions of the Disciplinary Tribunal;
- Section 35: managing appeals against certain decisions of Council; and
- Section 41: to impose a sanction when a Registered Person is found guilty of improper conduct.

The Investigating Committee (the “IC”) is a High Impact Committee of Council established in terms of Section 17 of the EPA. The IC is mandated in terms of Section 28 of the EPA, to investigate allegations of improper conduct against Registered Persons and to obtain evidence to determine the existence or lack of prima facie evidence of improper conduct and resolve whether or not to prefer charge(s) against such a Registered Person. The alleged improper conduct is judged in terms of the Code of Conduct for Registered Persons published in Government Gazette number 40691 on 17 March 2017 under Board Notice 41 of 2017 (the “Code of Conduct”) and promulgated in

terms of the Engineering Profession Act,(EPA) (Act 46 of 2000, as amended) and/or in terms of the Overarching Code of Practice for the Performance of Engineering Work published in the Government Gazette number 44333 on 26 March 2021 under Board Notice 20 of 2021 (“the Code of Practice”).

1. The investigating of complaints and any subsequent action against Registered Persons is focused on the enhancement of public safety, maintenance of professional standards, and safeguarding the image of the profession. The IC furthermore endeavours to determine trends, and initiate preventative steps regarding unprofessional conduct. To this end, it conducts peer-counselling sessions, issues advisory letters and generates practice notes.

### 4.2 CODE OF CONDUCT

In terms of Section 27(1) of the EPA, Council is empowered, in consultation with the CBE, voluntary associations, and Registered Persons to draw up a Code of Conduct. The 2020-2025 ECSA strategy directs Council to effectively regulate the profession through the enforcement of compliance with the Codes of Practice and Code of Conduct. To this end, the 2020-2021 Annual Performance Plan (APP) requires, inter alia, the revision of the existing Code of Conduct. The specific deliverable for the Investigating Committee was to conduct a gap analysis on the adequacy of the Code of Conduct and revise same for further tabling at Council. The Code of Conduct Gap Analysis was recommended for approval to Council by the IC on the 26th of October 2021.

### 4.3 CODE OF PRACTICE

Further in terms of Section 27(1) of the EPA, Council may draw up a Code of Practice in consultation with the Council for the Built Environment, Voluntary Associations, and Registered Persons. Council is responsible for administering the Code of Conduct and the Code of Practice. The Code of Practice for the Performance of Engineering Work was developed in consultation with the relevant stakeholders as required by the EPA. The Code of Practice applies to all engineering disciplines and is referred to as an “overarching” Code of Practice.

1. The Code of Practice is read and applied in conjunction with the Code of Conduct for Registered Persons. The Code of Practice is a statement of good practice for the performance of engineering work by Registered or Unregistered Persons. It is applicable to the entire engineering profession. Section 27(3) of the EPA requires Registered Persons to adhere to the requirements of the Code of Practice. The purpose of this Code of Practice is to ensure that any person undertaking engineering work meets the prescribed requirements when practising and executing engineering work within the jurisdiction of the EPA. The Code also sets appropriate levels of competence, regulating the execution of engineering work and specifying technical standards and best practices.

#### 4.4 INVESTIGATIONS

A report on investigations over the past financial year is provided in the table below:

Table 17: Report on Investigations

INVESTIGATIVE MATTERS	2022/2023
<b>Current cases</b>	34
<b>Current cases carried forward (2019/2022)</b>	5
<b>New cases received</b>	115
<b>Cases closed</b>	20
<b>Appeals held (Section 24) and finalised</b>	11
<b>Disciplinary hearing held and finalised</b>	5
<b>Disciplinary hearings partly heard</b>	7
<b>Current and ongoing third-party investigations</b>	11
<b>Overdue cases</b>	5





PART D  
HUMAN  
RESOURCE  
MANAGEMENT



## 1. HR OVERVIEW

The Human Resource Business Unit within ECSA has a primary responsibility to support and enable the organisation to uphold a conducive for achieving business goals and objectives through environment, retaining, and motivating its invaluable assets, people. This is accomplished by coordinating and facilitating functions of human resources management through the strategy that is aligned to the overall business strategic goals.

Under the Financial Year 2022, in our people-centred planned objectives that are informed by ECSA's 2020-2025 strategic goals, we have made satisfactory progress and the following are highlights worth to bring to the fore:

- HR Business Audit on HR Management System Standard Model;
- Employee Engagement Survey;
- Policies and Procedures Review;
- Learning and Development; and
- Human Resources Oversight Statistics

## 2. HR BUSINESS UNIT AUDIT ON HR MANAGEMENT SYSTEM STANDARD MODEL

In 2012, the South African Board for Personnel Practice (SABPP) launched the Standards Model which encompasses the four phases of good quality management practice and HR National standards as depicted in Figure 5. The model has established a national framework and identity for the HR Profession to ensure consistency in the practice of HR Management within companies, across companies, industries and nationally.

The Engineering Council of South Africa's Human Resources aligns its operation to the HR Standards Systems Model and initiated an external audit on its operation to determine the extent of their compliance and gaps against the system model for the purpose of having a baseline to improve HR systems, policies and process to the benefit of employees and the organisation. The outcomes of the audit will inform some of interventions and planning in the upcoming financial year.

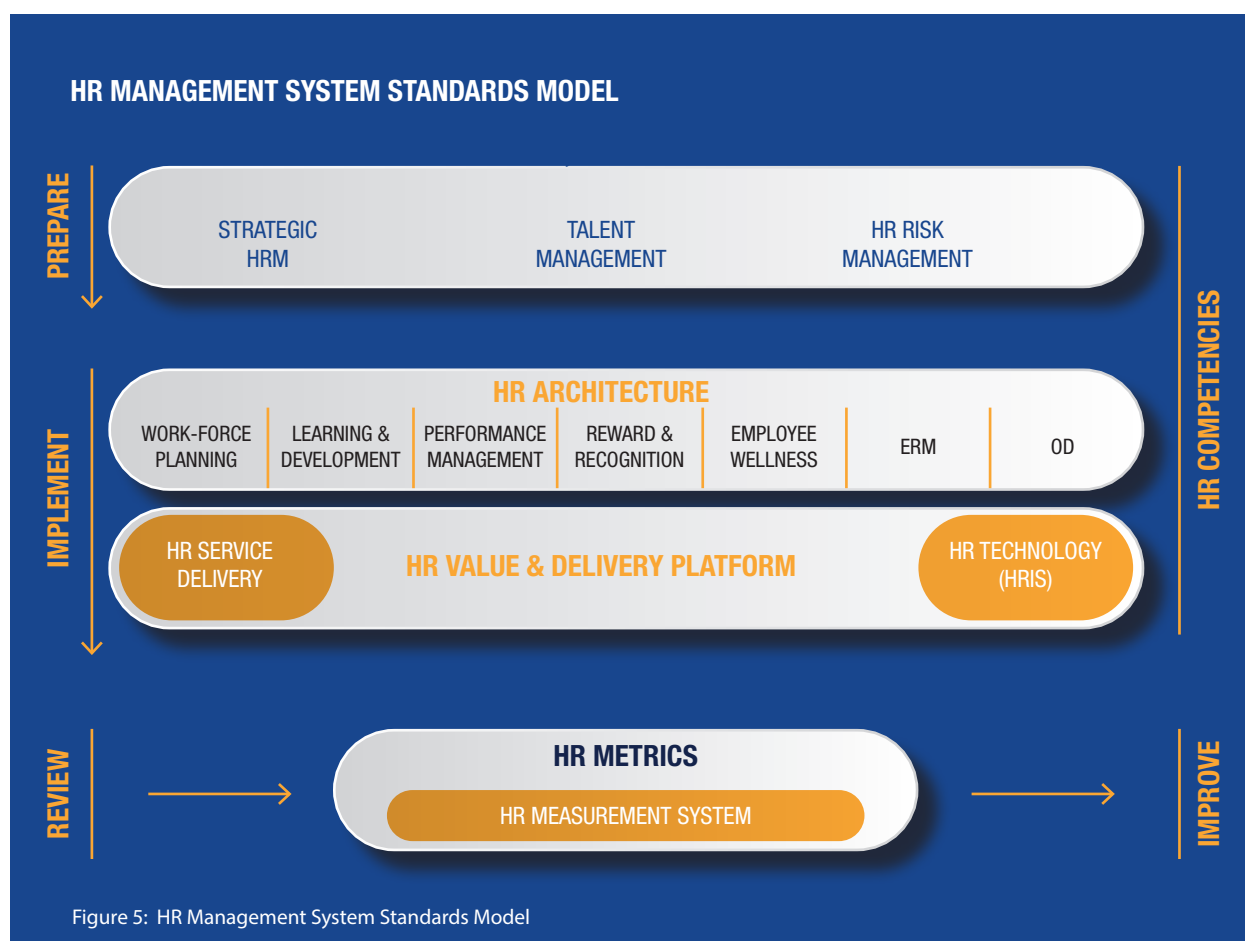


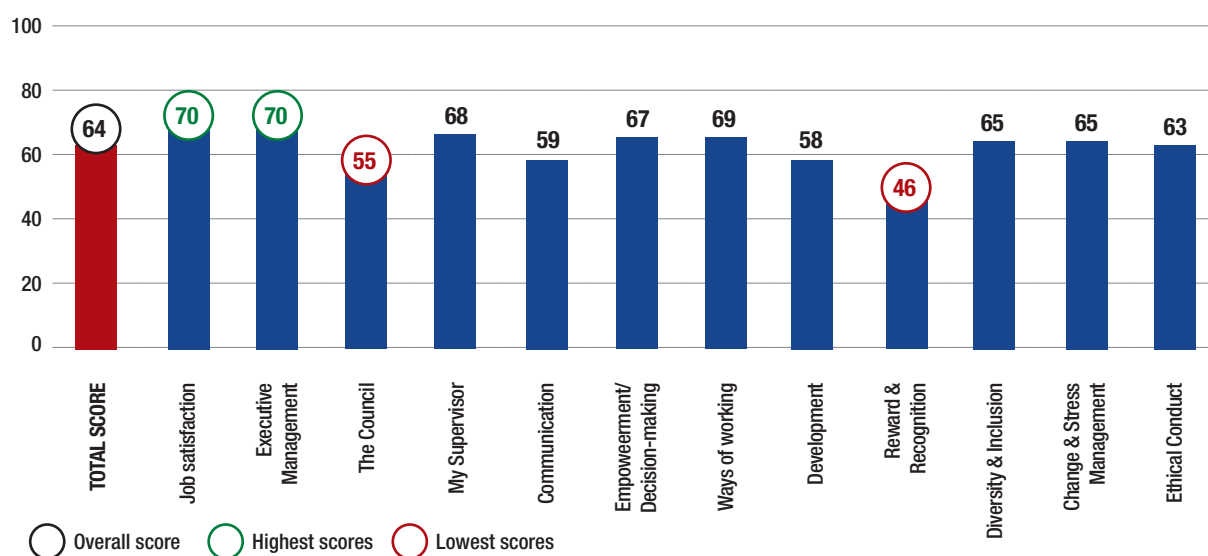
Figure 5: HR Management System Standards Model

## ECSA ENGAGEMENT SURVEY 2022

AVERAGE OF TOTAL SCORES

### OVERALL SCORES

64% INDICATES THAT LEVELS OF EMPLOYEE ENGAGEMENT ARE MORE POSITIVE THAN NEGATIVE, THIS RESULT IS ON THE RIGHT TRACK



### 3. EMPLOYEE ENGAGEMENT SURVEY

In the spirit of improving employee experience and identifying organisational strengths, the organisation successfully commissioned an Employee Engagement Survey with 72% response rate.

The employee engagement survey showed a response of 64% engagement level, indicating a positive result with some areas for improvement. An Internal Task Team has been established to ensure that relevant interventions are developed and implemented.

### 4. POLICY REVIEW AND DEVELOPMENT

In a workplace that strives for harmony, fairness and transparency, HR policies and procedures are a requisite to explicitly pronounce the organisation's stance of a desired course of action in each situation or process and guide employee behaviour and decision-making in a repeatable and consistent manner that is understood and applied to all stakeholders. As a best practice to keep abreast and align our policies and procedures to the relevant and changing regulations and evolving working environments, we have reviewed two of our existing policies and developed two new policies, which have all been approved by the Council for implementation.

1. Employee Code of Conduct and Business Ethics Policy aims to ensure that, in pursuit of its objectives, ECSA commits itself to maintaining in all its activities the highest standard of competence, integrity, professional, and ethical behaviour. Employees must be guided to accept and understand what is expected of them regarding ethical behaviour within the business environment of ECSA.
2. Performance Management Policy and Procedure supports the achievement of ECSA strategic objectives by articulating expected individual and team contributions through a systematic process of performance objective setting, performance review, targeted development planning and continual review thereof.
3. Whistle Blowing Policy and Procedure provides for an avenue whereby internal and external ECSA stakeholders can contribute without fear or prejudice towards eradicating unethical behaviour in the workplace.
4. Fraud Management Policy aims to develop and foster a climate within ECSA where all employees strive for the eradication of fraud, corruption, theft and maladministration. It articulates ECSA's attitude on fraud prevention and comprehensive approach to the management of risks of a fraudulent nature.

## 5. LEARNING AND DEVELOPMENT

The growth of ECSA as an organisation is reliant on creating an occupationally competent and engaged workforce as well as building organisational capabilities by providing its employees with opportunities to develop new knowledge and skills. In cognisant of this need, we have advanced our position in the reporting year as follows:

- For the reporting period, we implemented a pilot project of Udemy Business Online learning from 6 June 2022 to 31 March 2023.
- Udemy Business Online learning offers ECSA employees access to a variety of courses to improve job related skills.
- Udemy Business Online Learning was able to give 27 registered employees access to the platform by moving licenses between employees over the life of the Project.
- As a participating employer of ETDP SETA bursary fund, ECSA was funded a bursary worth R300 000. Ten (10) ECSA staff members were funded for with this bursary, and each one has received full reimbursement for their studies.
- The objectives of the bursary fund partnership is to grant ECSA employees access to occupationally directed programmes in intermediate and higher-level skills.

## 6. HUMAN RESOURCE OVERSIGHT STATISTICS

Table 18: Personnel Cost by Salary Band

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. OF TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top Management	R1 399 136.16	25.54	1	R1 399 136.16
Senior Management	R7 924 410.31	36.16	4	R1 981 102.58
Professionally Qualified	R12 570 036.88	20.86	11	R1 142 730.63
Skilled	R16 120 003.62	9.81	30	R 537 333.45
Semi-skilled	R18 869 905.64	5.65	61	R 309 342.71
Unskilled	R1 302 441.02	1.98	12	R 108 536.75
<b>TOTAL</b>	<b>R58 185 933.63</b>	<b>100.00</b>	<b>119</b>	<b>R5 478 182.28</b>

Table 19: Performance Rewards

LEVEL	PERFORMANCE REWARDS (R'000)	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COSTS
Top Management	R0.00	R1 399 136.16	0.00
Senior Management	R329 542.11	R7 924 410.31	0.57
Professionally Qualified	R572 111.46	R12 570 036.88	0.98
Skilled	R468 830.14	R16 120 003.88	0.81
Semi-skilled	R570 228.34	R18 869 905.64	0.98
Unskilled	R23 174.93	R1 302 441.02	0.04
<b>TOTAL</b>	<b>R1 963 886.98</b>	<b>R58 185 933.63</b>	<b>3.38</b>

Table 20: Training Costs

PROGRAMME/ACTIVITY/OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG. TRAINING COST PER EMPLOYEE (R'000)
Disciplinary Hearing Workshop	R9 401 042.94	R79 086.00	0.84	10	R7 908.06
Higher Education Conference	R665 783.07	R5 600.00	0.84	1	R5 600.00
Quality Management Systems	R760 225.79	R17 480.00	2.3	1	R17 480.00
Ethics of the Legal Profession and Legal Opinion Writing Forum	R1 831 290.70	R17,998.00	0.98	2	R8 999.00
HR Labour Law Seminar	R2 453 043.88	R6 780.00	0.28	2	R3 390.00
Performance Management Training	R17 975 901.08	R32 250.00	0.18	19	R1 697.00
National Quality Week Conference	R1 091 808.70	R1 700.00	0.15	2	R850.00
Fire Fighting Training	R2 180 500.02	R21 600	0.99	4	R5 400
Health & Safety Training	R2 180 500.02	R21 600	0.99	4	R5 400
Incident Investigation Training	R2 180 500.02	R21 600	0.99	4	R5 400
Fire Marshall Training	R2 180 500.02	R21 600	0.99	4	R5 400
Contact Centre and Customer Service Training	R1 748 005.61	R27 600.00	1.58	6	R4 600
Microsoft Office Excel Advanced	R788 184.86	R1 739.13	0.22	1	R1 739.13
Executive Coaching	R2 706 923.10	R38 000.00	1.4	1	R38 000.00
CompTIA Security+	R120 000.00	R4 499.00	3.75	1	R4 499.00
SAATCA Workshop	R3 436 270.73	R7 624.15	0.22	5	R1 524.83
Udemy	R20 238 929.39	R133 056.00	0.66	27	R4 928.00
CaseWare	R2 742 034.59	R 23 267.32	0.84	3	R7 755.77
Project Management	R562 640.31	R12 500.00	2.22	1	R12 500.00
Introduction to CRM (Dynamics 365)	R788 184.86	R1 806.87	0.3	1	R1 806.87
Introduction to SQL	R788 184.86	R1 806.87	0.3	1	R1 806.87

Table 21: Employment and Vacancies

SALARY BAND	APPOINTED	VACANT	IN PROCESS OF APPOINTING	VACANCIES NOT TO BE APPOINTED
Top Management	1	0	0	0
Senior Management	1	0	0	0
Professionally Qualified	1	2	0	0
Skilled	7	1	1	0
Semi-skilled	11	2	1	0
Unskilled	2	0	0	0
<b>TOTAL</b>	<b>23</b>	<b>5</b>	<b>2</b>	<b>0</b>



Table 22: Reason for Staff Leaving

REASON	TOTAL NUMBER OF STAFF LEAVING
Death	0
Resignation	10
Dismissal	0
Retirement	0
Ill health	0
Expiry of Contract	5
Other	0
<b>Total</b>	<b>15</b>

Table 23: Misconduct and Disciplinary Actions

NATURE OF DISCIPLINARY ACTION	NUMBER
Counselling	1
Verbal Warning	0
Written Warning	5
Final Written Warning	1
Dismissal	0

Table 24: Employment Equity (Male)

LEVEL	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	3	0	0	0	0	0	0	0
Senior Management	2	1	0	0	0	0	1	0
Professionally Qualified	10	0	0	0	1	0	0	0
Skilled	15	0	0	0	0	0	0	0
Semi-skilled	4	0	0	0	0	0	0	0
Unskilled	2	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>36</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>

Table 25: Employment Equity (Female)

LEVEL	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	0	0	0	0	0	1	0
Senior Management	5	1	0	0	1	0	0	0
Professionally Qualified	10	0	0	0	1	0	2	0
Skilled	24	0	0	0	0	0	1	0
Semi-skilled	11	0	2	0	0	0	0	0
Unskilled	3	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>54</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>0</b>

Table 26: Employment Equity (Disabled)

LEVEL	DISABLED STAFF			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professionally Qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

PART E  
REGULATORY  
FUNCTIONS

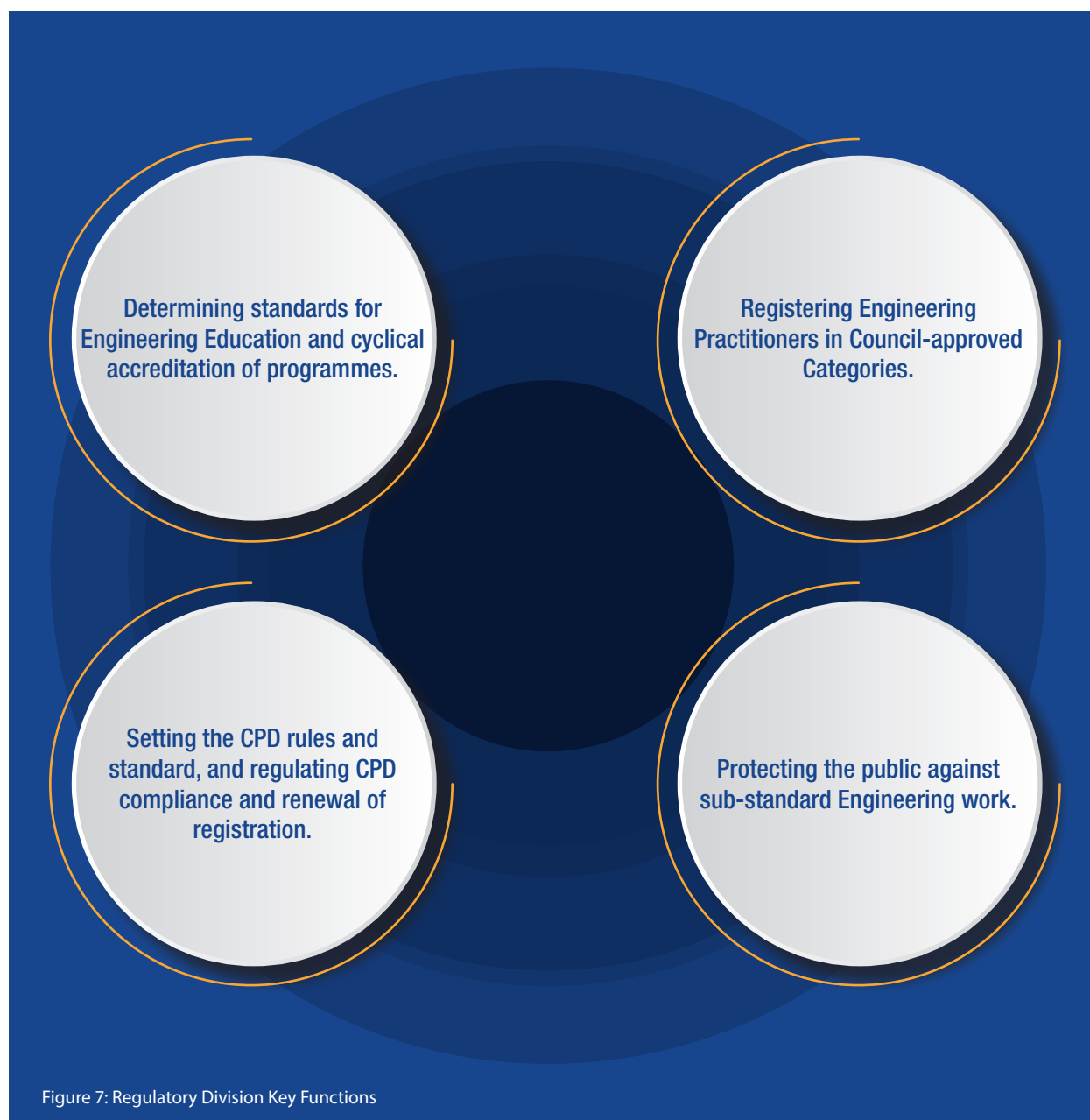


## 1. INTRODUCTION

The Regulatory Functions Division houses three Business Units that are responsible for managing the core functions of ECSA, namely Registration, Education, and Continuing Professional Development. Council has delegated the powers of oversight of these functions to three High Impact Committees, namely the Central Registration Committee,

the Education Committee, the Training Academies Development Committee and the Continuing Professional Development Committee.

The work done for the regulation of the profession is well encapsulated in ECSA's vision, namely, to be an effective regulator, thereby ensure engineering excellence through, amongst others:



## 2 ECSA REGISTRATION AND THE DATABASE OF REGISTERED PERSONS

### 2.1 THE ECSA REGISTRATION MANDATE

The Engineering Profession Act, 46 of 2000 ('EPA'), empowers Council to consider and decide on any application for registration as well as to enter into an agreement with any person or body of persons, within or outside of the Republic, with regard to the recognition of any examination or qualification for the purposes of the Act.

Council may take any measures it considers necessary for the proper performance and exercise of its functions, duties, or powers to achieve its objectives in terms of the EPA. In terms of the EPA, Council must register an applicant in the relevant category and issue a registration certificate to the successful applicant if, after consideration of the application, Council is satisfied that, inter alia, the applicant has demonstrated competence as measured against standards determined by Council.

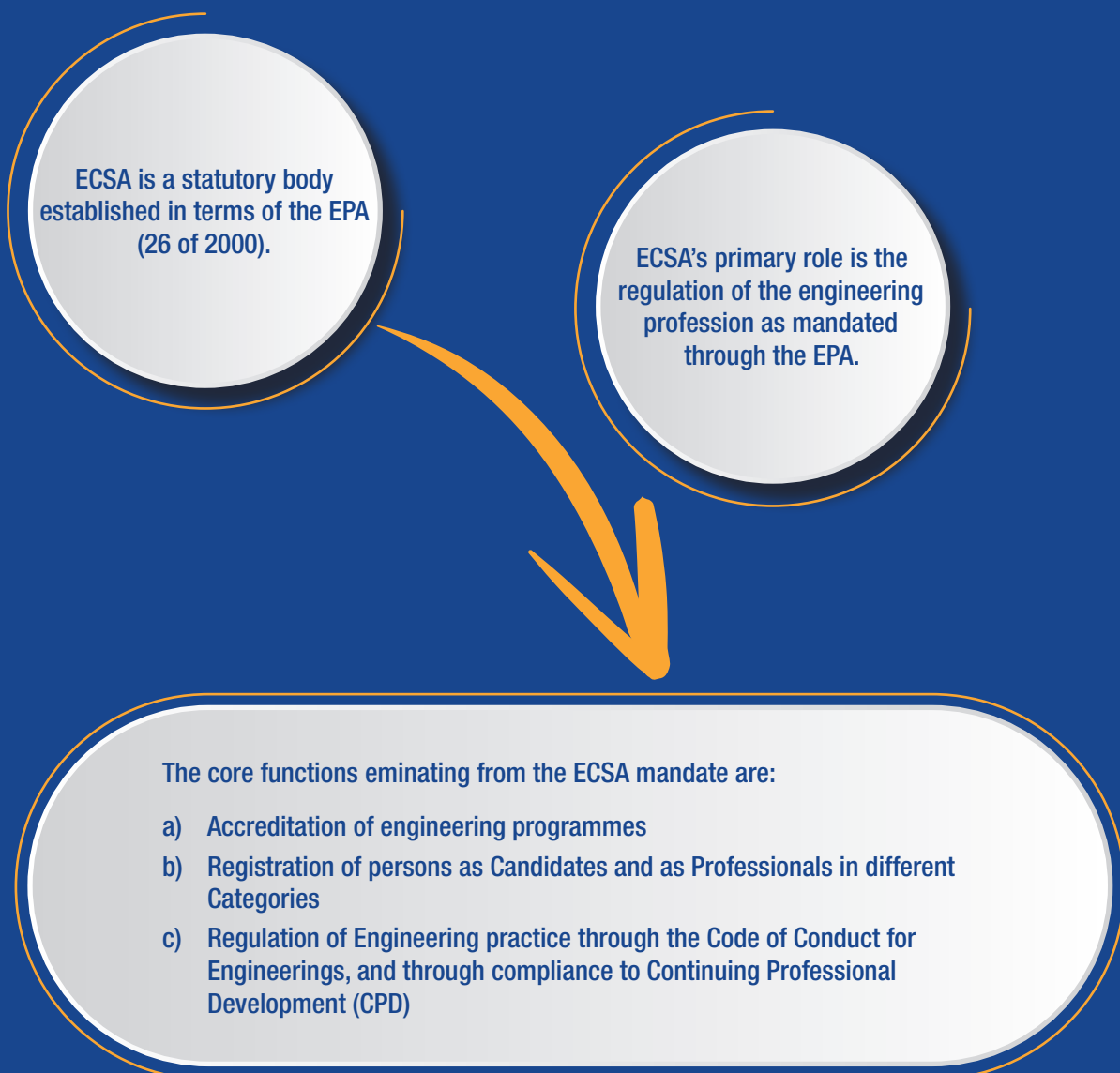


Figure 8: The ECSA Mandate as encapsulated in Section 13 of the EPA

## 2.2 REGISTRATION CATEGORIES

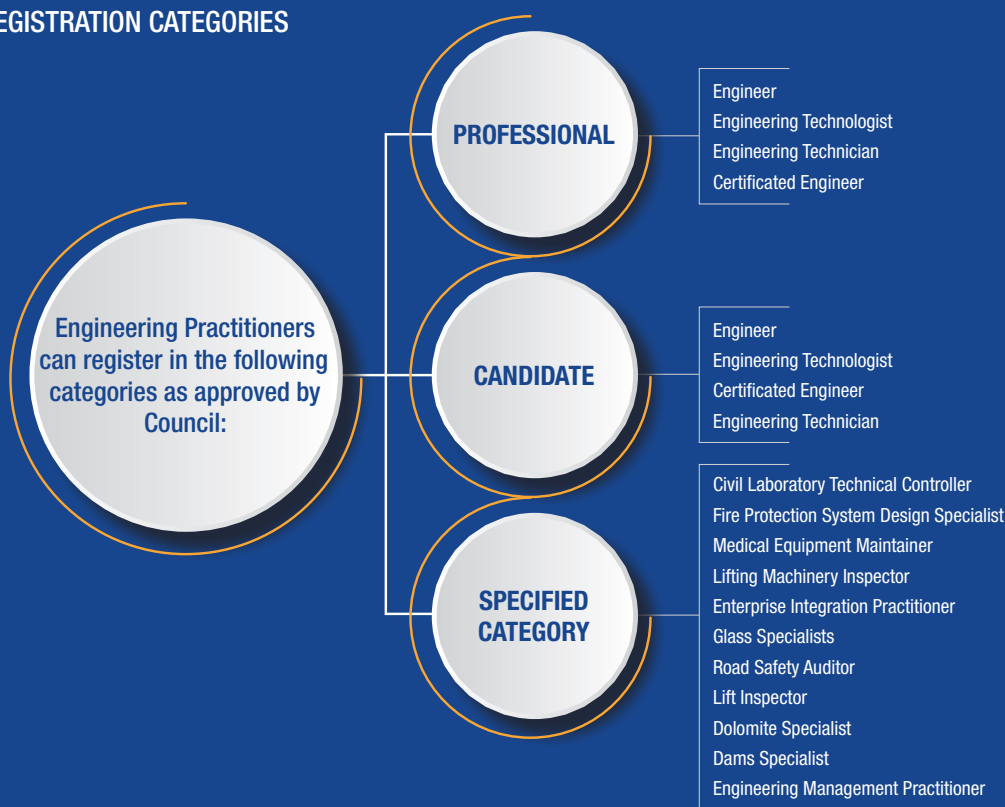


Figure 9: A summary of the Categories of Registration as approved by Council

## 2.3 DATA CLEANSING PROJECT

The ongoing data cleansing project continued to improve our ability to communicate with our registered persons, to bill with increasing accuracy and to collect annual fees. Missing contact details (21 749 persons) and engineering disciplines (21 021) have been added.

The following activities reported last year have now been completed:

- Capturing of blank information (working addresses and disciplines) on CRM against the actual applications for professional engineers under the age of 70.

- Capturing of blank information (residential and work addresses and disciplines) on CRM against the actual applications for all candidate engineers.
- Capturing of blank information (residential and work addresses and disciplines) on CRM against the actual applications for professional engineers over the age of 70.
- Capturing of all blank fields for cancelled Registered Persons over the past five (5) years.
- Verification of all these Registered Persons' information on CRM against the actual application information on Papertrail.

The following list of priorities will be attended to during the 2023-24 financial year:

Table 27: Priorities for the 2023/24 FY

PROJECT ACTIVITY	START DATE	COMPLETION DATE
Correction of service provider names of CPD pre-validated activities	01 May 2023	30 June 2023
Removal of duplicated records of CPD pre-validated activities	01 June 2023	31 July 2023
Removal of around 7000 pre-2012 records of CPD pre-validated activities	01 June 2023	31 July 2023
Deregistration of up to 1704 deceased persons currently active in the CRM	01 June 2023	31 July 2023
Deregistration of a further 4573 registrations that were cancelled in the legacy system but migrated as active to the new registration system	01 July 2023	30 September 2023
Merging of duplicated registrations	01 July 2023	31 March 2024



## 2.4 REGISTRATION STATISTICS AND TRENDS

For South Africa, the 2022-23 financial year was fraught with persistent power cuts, poorly maintained and further deteriorating infrastructure, coupled with rising inflation and concomitant cost of living, leaning towards a declining global outlook, further influenced by Russia's war in Ukraine. In its 2023 Budget Review Report<sup>1</sup>, National Treasury pronounced that *inadequate electricity supply remains the most immediate and significant constraint to production, investment and employment*. The report emphasises that any form of sustained growth remains reliant on rapid progress in implementing proposed reforms (e.g. professionalisation of the public sector) and a capable State to provide public goods and services.

In the reading of the above bleak outlook, ECSA is well aware of the criticality of its role in assisting with the provision of well-equipped and registered Engineering Professionals across Categories and Disciplines to render the necessary goods and services required to turn the tide, striving to be a driver of sustainable transformation, improved infrastructure and a return to non-negotiable high-quality services in all sectors of the profession.

Changes related to policies, processes, systems, and services within ECSA itself were prioritised during the 2022/23 fiscal. The fruits of these labours will only be visible in the upcoming financial years, and ECSA is confident that its much-valued stakeholders, and especially its registered members, will experience a tangible enhancement in the ECSA value-proposition.

Table 28: Professional Category Registration Statistics

PROFESSIONAL ENGINEER			
		TOTAL REGISTRATIONS	NEW REGISTRATIONS
<b>TOTALS</b>		<b>18 939</b>	<b>364</b>
<b>African</b>	Male	2 027	107
	Female	405	26
<b>White</b>	Male	14 075	149
	Female	960	31
<b>Indian/Asian</b>	Male	933	30
	Female	231	12
<b>Coloured</b>	Male	274	8
	Female	34	1

PROFESSIONAL ENGINEERING TECHNOLOGIST			
		TOTAL REGISTRATIONS	NEW REGISTRATIONS
<b>TOTALS</b>		<b>6 479</b>	<b>262</b>
<b>African</b>	Male	1 934	128
	Female	484	45
<b>White</b>	Male	3 145	49
	Female	102	3
<b>Indian/Asian</b>	Male	468	19
	Female	52	2
<b>Coloured</b>	Male	257	15
	Female	37	1

<sup>1</sup> Dept of National Treasury, Budget Review 2023, Chapter 2

Table 29: Professional Category Registration Statistics (continued)

PROFESSIONAL CERTIFICATED ENGINEER			
		TOTAL REGISTRATIONS	NEW REGISTRATIONS
<b>TOTALS</b>		<b>912</b>	<b>8</b>
<b>African</b>	Male	92	5
	Female	3	0
<b>White</b>	Male	763	1
	Female	9	1
<b>Indian/Asian</b>	Male	29	1
	Female	1	0
<b>Coloured</b>	Male	15	0
	Female	0	0

PROFESSIONAL ENGINEERING TECHNICIAN			
		TOTAL REGISTRATIONS	NEW REGISTRATIONS
<b>TOTALS</b>		<b>3 891</b>	<b>167</b>
<b>African</b>	Male	1 930	103
	Female	709	37
<b>White</b>	Male	831	20
	Female	48	0
<b>Indian/Asian</b>	Male	174	3
	Female	15	0
<b>Coloured</b>	Male	160	4
	Female	24	0

Table 30: Professional Category Registration Statistics by Gender and Category

CATEGORY	MALE	FEMALE	TOTAL
Professional Engineer	2 027	405	2 432
Professional Engineering Technologist	1 934	484	2 418
Professional Certificated Engineer	92	3	95
Professional Engineering Technician	1 930	709	2 639

Figure 10: Professional Category Registration Statistics by Category and Race

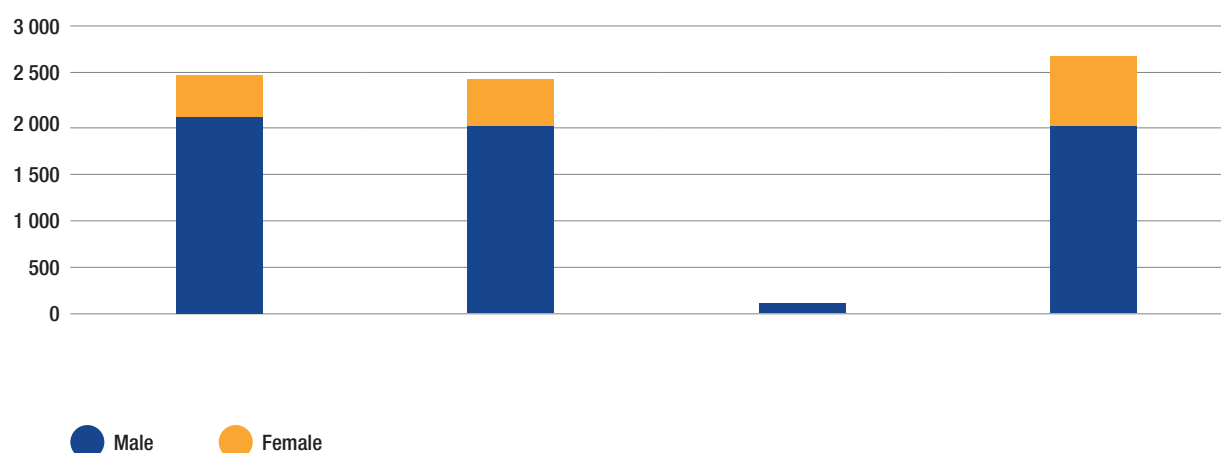


Table 31: Candidate Category Registration Statistics

CANDIDATE ENGINEER					
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
<b>TOTALS</b>		<b>9 879</b>	<b>2 376</b>	<b>1 546</b>	<b>3 999</b>
<b>African</b>	Male	3 237	901	510	1 148
	Female	1 197	361	181	378
<b>White</b>	Male	3 031	549	454	1 414
	Female	650	125	110	313
<b>Indian/Asian</b>	Male	994	232	156	450
	Female	414	99	74	173
<b>Coloured</b>	Male	271	86	46	90
	Female	85	23	15	33

CANDIDATE ENGINEERING TECHNOLOGIST					
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
<b>TOTALS</b>		<b>5 415</b>	<b>2 661</b>	<b>973</b>	<b>1 945</b>
<b>African</b>	Male	3 051	1 438	508	967
	Female	1 278	702	187	331
<b>White</b>	Male	187	193	127	326
	Female	44	23	6	25
<b>Indian/Asian</b>	Male	414	153	75	163
	Female	139	46	17	41
<b>Coloured</b>	Male	202	81	39	73
	Female	100	25	14	19

CANDIDATE CERTIFICATED ENGINEER					
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
<b>TOTALS</b>		<b>633</b>	<b>78</b>	<b>45</b>	<b>119</b>
<b>African</b>	Male	329	53	24	55
	Female	19	1	5	3
<b>White</b>	Male	231	16	13	41
	Female	5	1	0	0
<b>Indian/Asian</b>	Male	23	1	1	15
	Female	0	0	0	0
<b>Coloured</b>	Male	26	6	2	5
	Female	0	0	0	0

CANDIDATE ENGINEERING TECHNICIAN					
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
<b>TOTALS</b>		<b>6 232</b>	<b>2 333</b>	<b>906</b>	<b>2 813</b>
<b>African</b>	Male	3 393	1 378	488	1 425
	Female	1 683	657	254	712
<b>White</b>	Male	505	108	60	329
	Female	42	9	6	28
<b>Indian/Asian</b>	Male	283	70	42	169
	Female	73	13	17	41
<b>Coloured</b>	Male	188	77	29	77
	Female	65	21	10	32

Table 32: Candidate Category Registration Statistics by Category

CATEGORY	AFRICAN	WHITE	INDIAN/ASIAN	COLOURED
Candidate Engineer	4 404	3 681	1 408	378
Candidate Engineering Technologist	4 309	231	553	302
Candidate Certificated Engineer	348	236	23	26
Candidate Engineering Technician	50 760	547	356	253

Figure 11: Candidate Category Registration Statistics by Category and Race

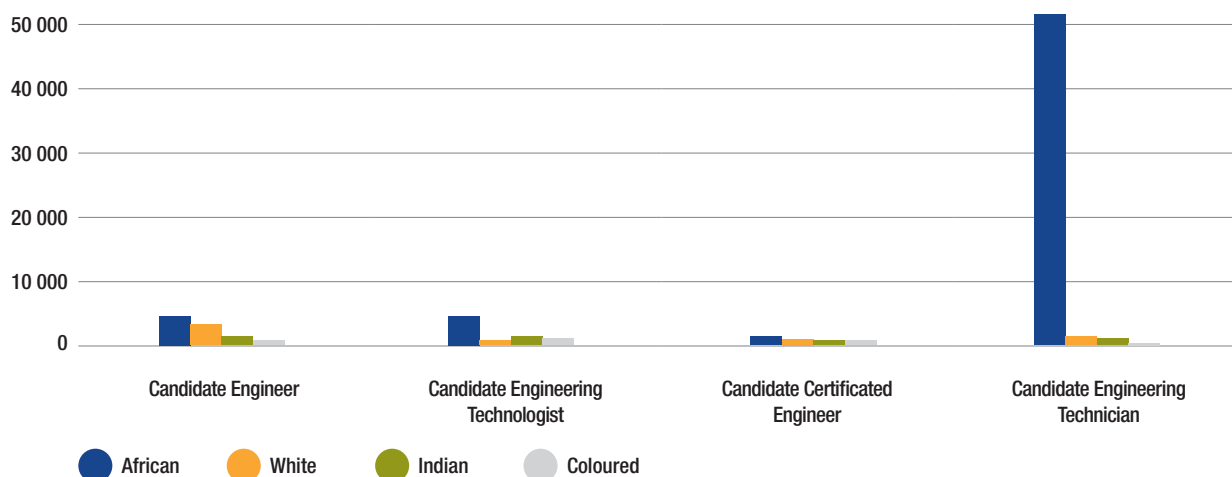
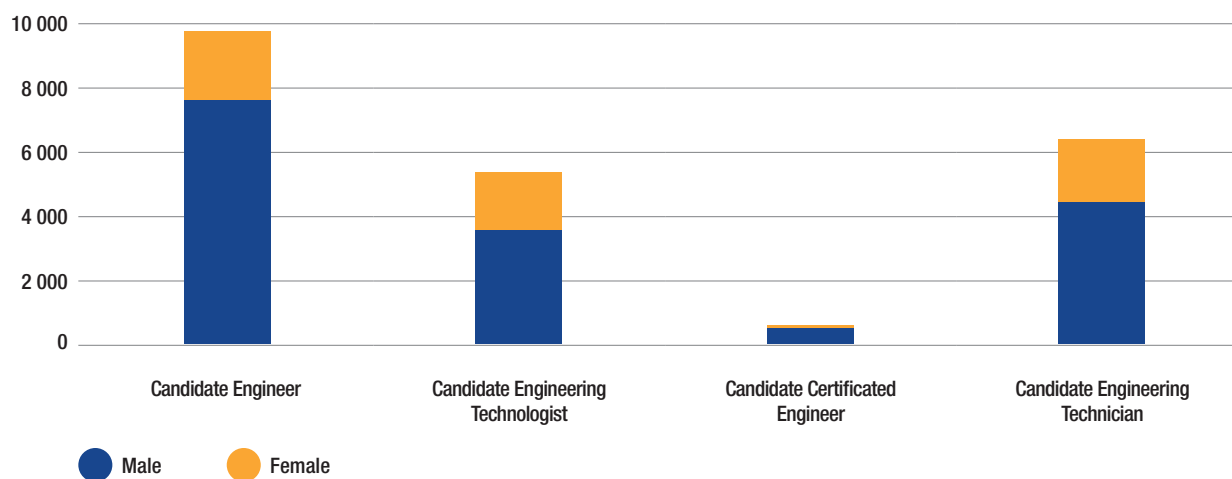


Table 33: Candidate Category Registration Statistics by Gender

CATEGORY	MALE	FEMALE	TOTAL
Candidate Engineer	7 533	2 346	9 879
Candidate Engineering Technologist	3 854	1 561	5 415
Candidate Certificated Engineer	609	24	633
Candidate Engineering Technician	4 369	1 863	6 232

Figure 12: Candidate Category Registration Statistics by Gender and Category



## 2.5 THE DATABASE OF REGISTERED PERSONS AT A GLANCE

In the presentation of the 2022-23 registration statistics, it is imperative for stakeholders to recognise that the growth and the transformation of the ECSA database of registered persons will always be a work in progress, and is dependent on various influencing factors. These factors range from numbers and demographics of engineering graduates, employment opportunities and financial status of graduates and registered candidates, access to structured mentorship and candidacy programmes, to the perceived value-add of being registered with ECSA.

ECSA's own research demonstrates that the decline in the renewal rate of registered persons is caused by factors such as unemployment and financial constraints, a perception of ECSA annual fees being too high, non-compliance to CPD, deteriorating health issues, persons no longer practising in the field of engineering, a lack of incentives perceived for registering with ECSA, emigration, and a clear negativity

surrounding the overly complicated and document heavy ECSA registration model. These issues will be further investigated during the 2023-24 financial year. These factors led to the cancellation of registration of a large number of persons throughout the financial year, and more than 4000 persons in quarter 4 alone due to non-payment of the required 2022-23 annual fees. Even though a number of these cancelled persons have since been reinstated after payment of overdue annual fees, the decline is still evident in the statistics and in the comparison of a snapshot of the ECSA Database as at the end of December 2022 with the same as at the end of March 2023, with a negative difference of 3643 persons in a matter of 3 months.

ECSA has sent out reminders to the cancelled persons who are still eligible for reinstatement, and with the Identification of Engineering Work (IDoEW) Regulations having been gazetted in March of 2021 for enforcement in April of 2025, necessitating all engineering practitioners in all sectors to be professionally registered to perform engineering work, the numbers will increase again steadily in quarter 1 of 2023-24.

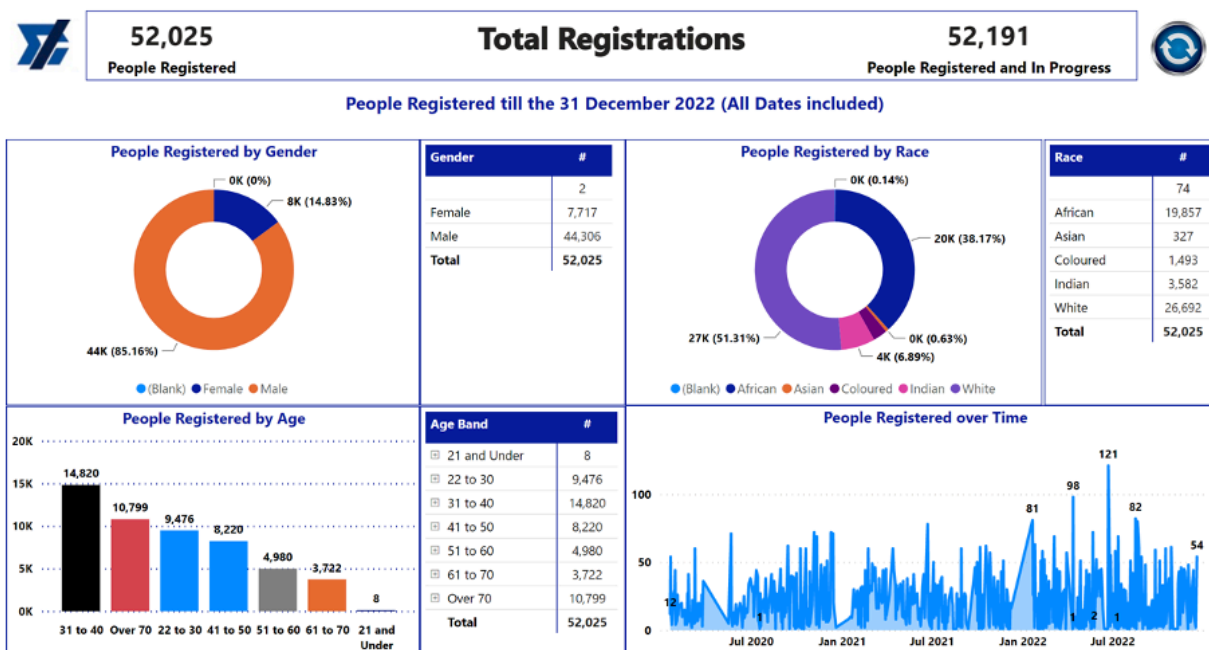


Figure 13: The ECSA Database of Registered Persons as extracted on 31 December 2022




**48,382**  
 People Registered

## Total Registrations

**48,545**  
 People Registered and In Progress


People Registered till the 31 March 2023 (All Dates included)

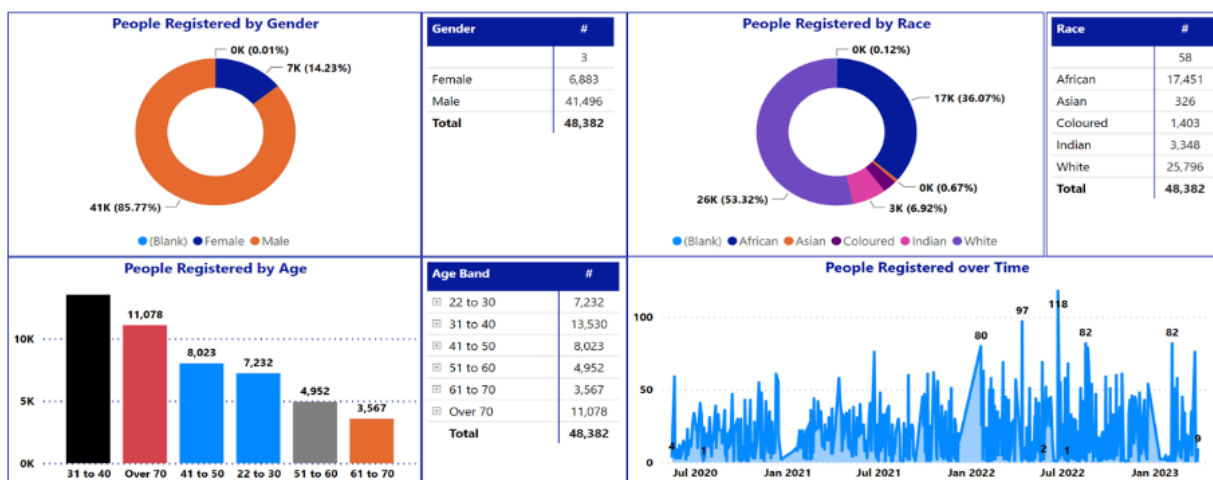


Figure 14: The ECSA Database of Registered Persons as extracted on 31 March 2023

The remainder of the Registration Statistics Report focuses on the detailed data as displayed in Figure 14. ECSA acknowledges that it has a lot of work to do to grow its database with registered professionals who can contribute towards a desperately needed engineering skills pipeline that will ultimately ensure the sustainability of our beautiful country. The 2022-23 financial year has been a year of preparation and renewal for ECSA, and 2023-24 will be a rigorous continuation of the same, to ensure that its regulatory framework, processes, models and systems are geared to more than double the numbers in its current Register by the end of March 2025.

Table 34: New Registration Statistics from 2019 to 2022 (per Calendar Year)

PROFESSIONAL CATEGORY	2019	2020	2021	2022	2023
Professional Engineer	507	503	380	364	
Professional Engineering Technologist	320	249	223	261	
Professional Certificated Engineer	17	5	22	8	
Professional Engineering Technician	205	178	174	167	

CANDIDATE CATEGORY	2019	2020	2021	2022	2023
Candidate Engineer	1229	792	1006	1078	
Candidate Engineering Technologist	959	959	785	870	
Candidate Certificated Engineer	32	17	18	29	
Candidate Engineering Technician	1182	689	711	713	

SPECIFIED CATEGORY	2019	2020	2021	2022	2023
Registered Lifting Machinery Inspectors	47	28	8	3	
Registered Medical Equipment Maintainers	0	0	1	0	
Registered Fire Protection System Inspectors	2	1	2	4	
Registered Lift Inspectors	2	0	5	7	
Registered Civil Technical Laboratory Controller	0	0	0	3	
Fire Protection Systems Rational Design	0	0	0	1	

Table 34: New Registration Statistics from 2019 to 2022 (per Calendar Year) (continued)

INTERNATIONAL CATEGORY	2019	2020	2021	2022	2023
IPEA	2	10	13	3	
IETA	0	2	8	0	
AIET	0	0	0	1	
<b>Grand Total</b>	<b>4504</b>	<b>3433</b>	<b>3356</b>	<b>3511</b>	

While the total number of registered persons as illustrated in Figure 13 has declined significantly as already explained above, the number of new registrations in the Professional Categories have held steady in comparison to previous years. The trend in terms of a higher growth of Professional Engineers per annum, followed by Professional Engineering Technologists and then Professional Engineering Technicians, persists.

Figure 15: Professional New Registration Statistics Trends 2019 to 2022 (per Calendar Year)

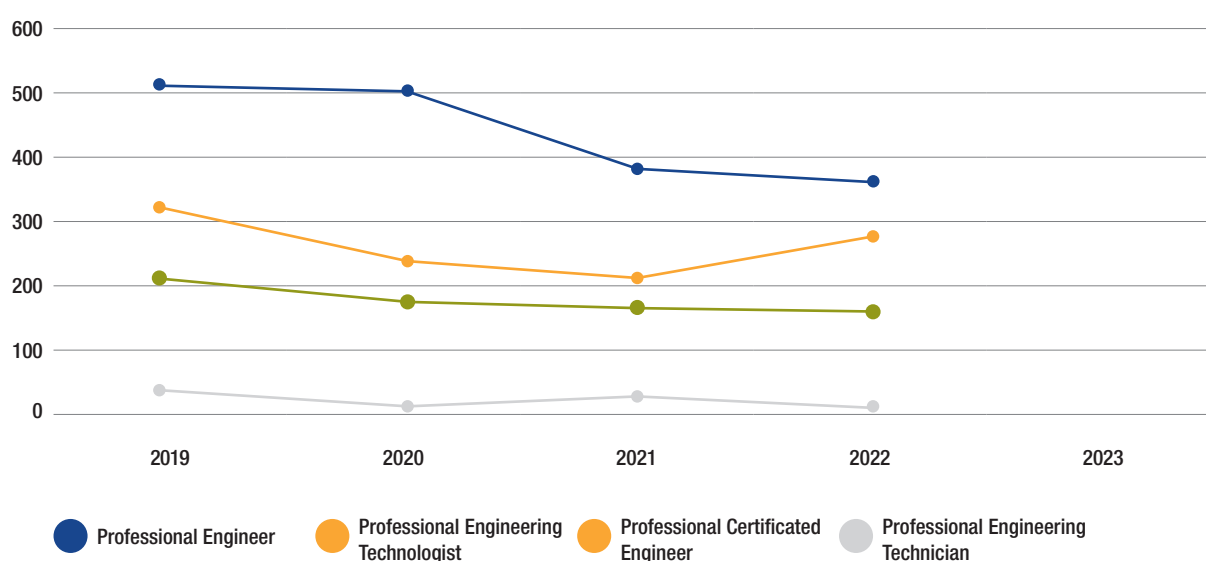


Figure 16: Candidate New Registration Statistics Trends 2019 to 2023 (per Calendar Year)

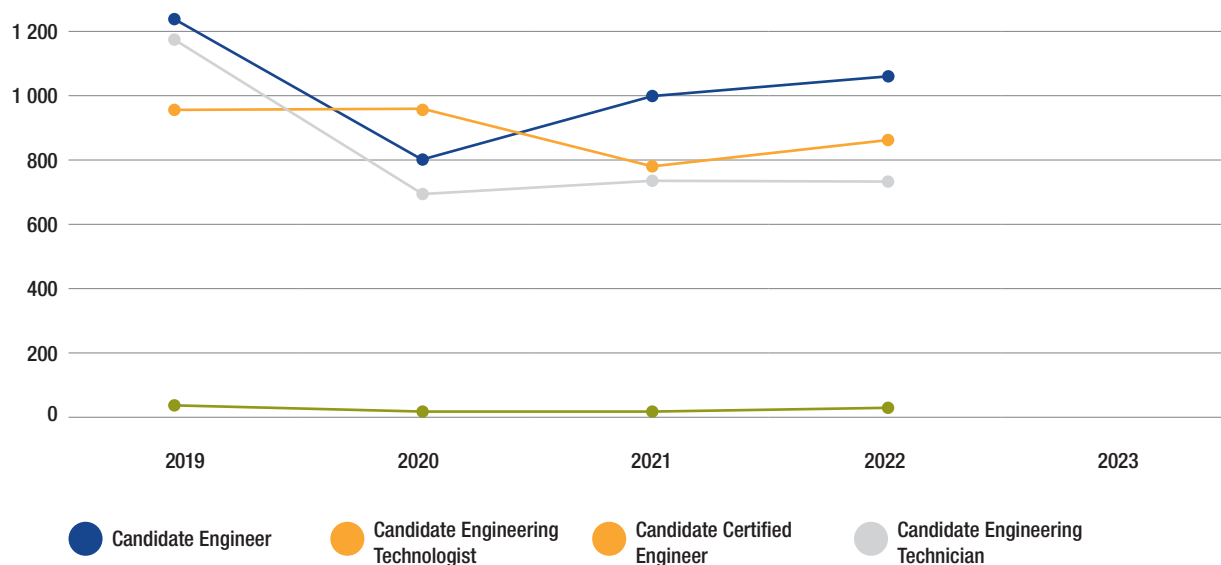
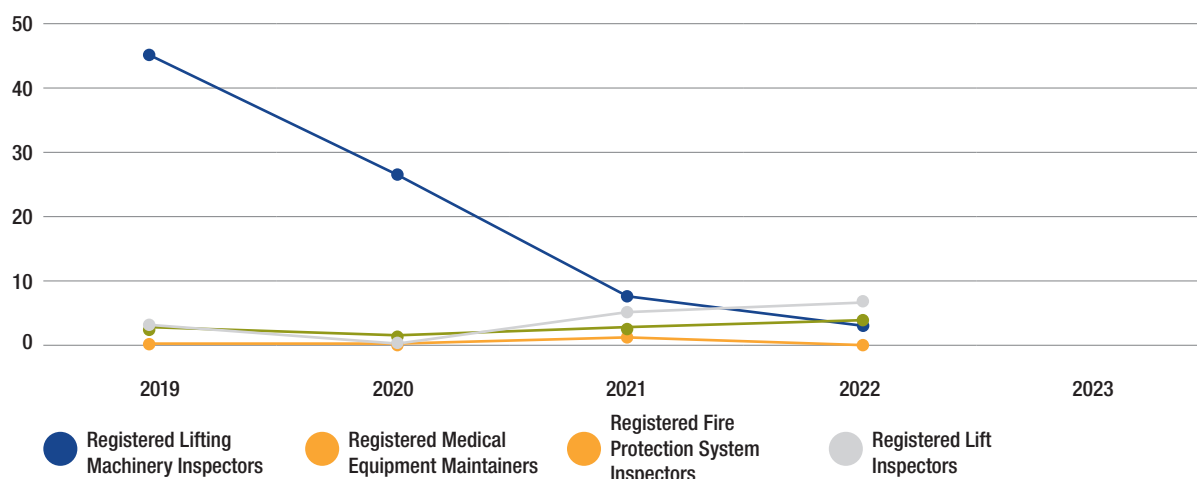


Figure 17: Specified Category New Registration Statistics Trends 2019 to 2022 (per Calendar Year)



### THE DATABASE OF REGISTERED PERSONS BY AGE

Of concern is the growing number of retired persons in the database, mainly as ECSA recognises the exodus of skills and experience with those professionals who go into full retirement. ECSA has started with a campaign to identify retired registered persons who are willing and able to not only be of service to ECSA on programme accreditation matters and professional assessment of registration applications, but also to act as mentors to the thousands of candidates who have been in the database for longer than three years, yet not converted to professional status. This important project to harness the collective knowledge and experience of this segment of the ECSA database will continue into 2023-24. The number of professionally registered persons over the age of 60 are predominantly White.

Table 35: Active registered Professionals over the age of 60

RACE	TOTAL NUMBER OF ACTIVE PERSONS 61 YEARS AND OLDER
African	165
Coloured	43
Indian and Asian	114
White	11 343
<b>Total</b>	<b>11 665</b>

It is heartening to see that there are still growing numbers of registered persons in the age brackets of 22 - 30 (7 232), and 31 - 40 (13 530), and particularly also a more balanced growth in the numbers of Africans compared to Whites as evident from the further breakdown of the registration statistics that follows hereafter. While the growing numbers of retired persons are mostly White males, the other races are better represented in the database of younger age groups, but many of the younger registrations are also still in candidacy phases on the journey towards professional status. ECSA would want to see balanced growth in numbers for all races, and in all age groups across disciplines and categories.

ECSA has in 2022-23 commenced with the planning of a number of initiatives to address graduate attraction, and the slow conversion rates of Candidates, and research is also underway into the registration model as its complexity and lack of transparency are factors that have been flagged as deterrents to professional registration. The outcomes of the research will be presented to Council in quarter 4 of the 2023-24 financial year, for implementation in 2024.

Table 36: Registered Persons between the ages of 22 and 50

RACE	TOTAL NUMBER OF ACTIVE PERSONS BETWEEN 22 AND 50 YEARS OF AGE
African	6 494
Coloured	574
Indian and Asian	1 519
White	4 873
<b>Total</b>	<b>13 460</b>

Table 37: Professional Category Age Analysis

AGE GROUPS	AFRICAN	COLOURED	INDIAN/ASIAN	WHITE
20-29	86	13	39	64
30-39	3026	242	701	2192
40-49	3256	306	735	2355
50-59	946	133	310	2106
60-69	27	10	21	4200
70+	24	11	22	5527

Figure 18: Professional Category Age Analysis

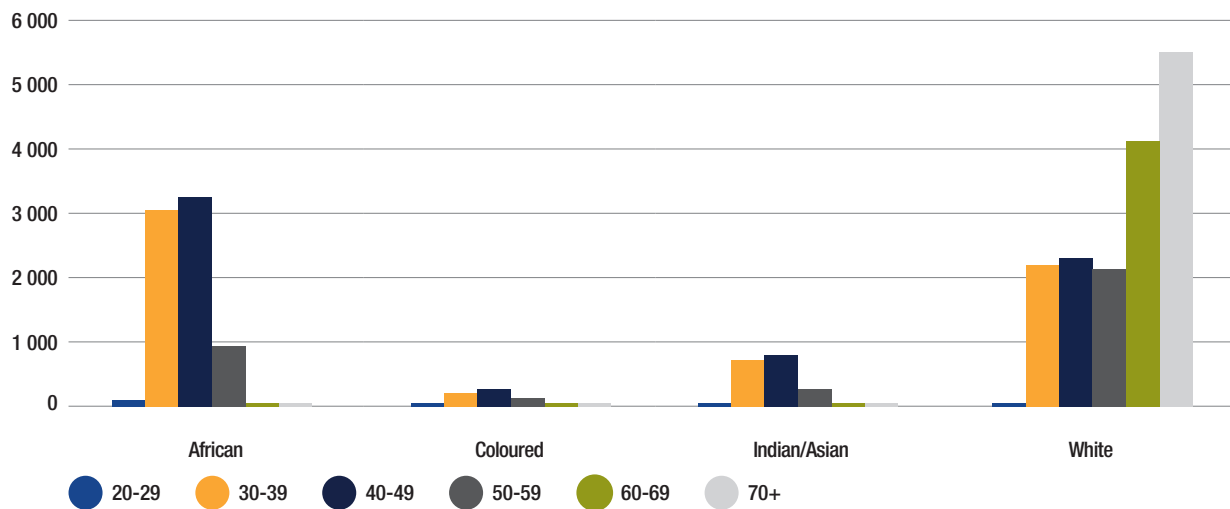


Table 38: Candidate Category Age Analysis

AGE GROUPS	AFRICAN	COLOURED	INDIAN/ASIAN	WHITE
20-29	3933	278	763	1150
30-39	7685	490	1220	2826
40-49	2254	102	273	577
50-59	309	21	51	231
60-69	23	2	5	126
70+	0	2	0	160

Figure 19: Candidate Category Age Analysis

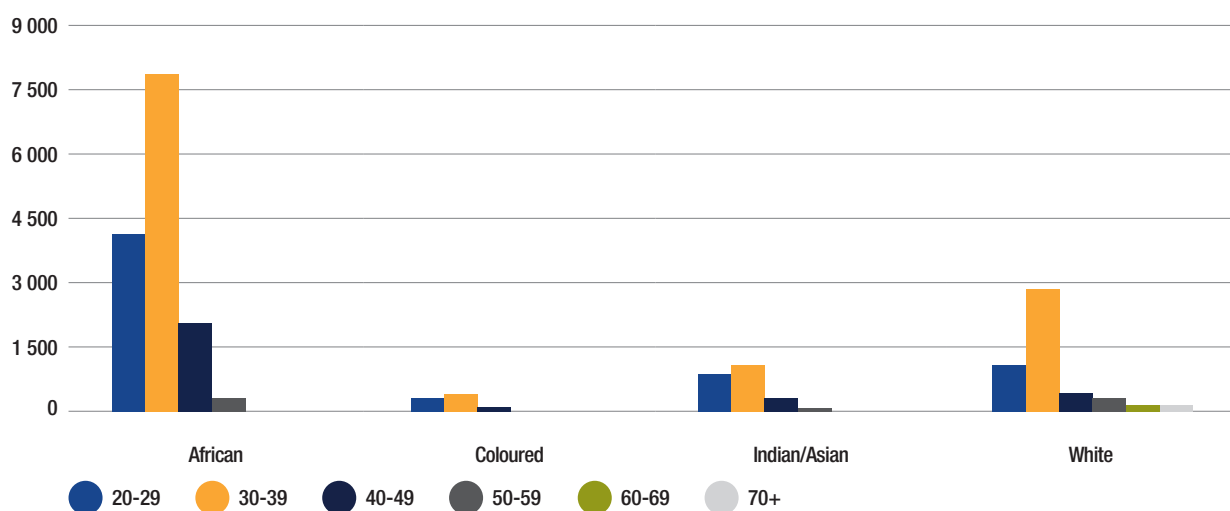
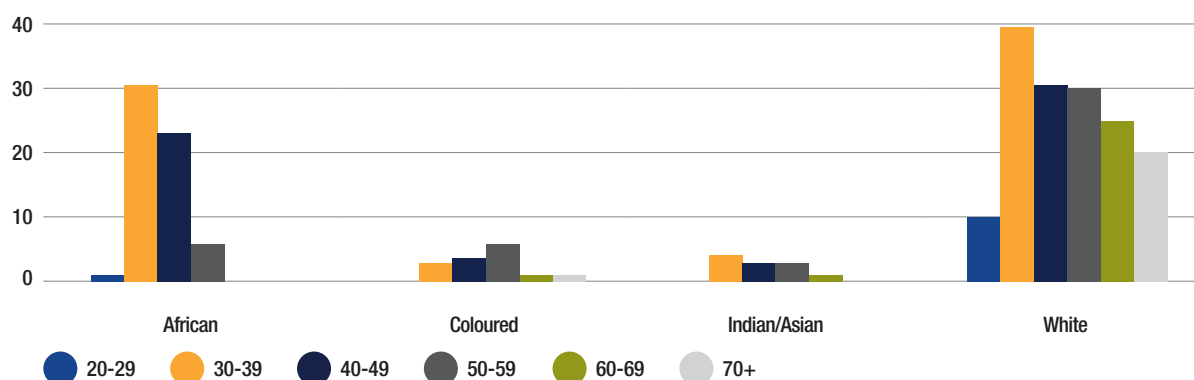


Table 39: Specified Category Age Analysis

AGE GROUPS	AFRICAN	COLOURED	INDIAN/ASIAN	WHITE
20-29	1			10
30-39	31	3	4	39
40-49	23	4	3	31
50-59	6	6	3	30
60-69	0	1	1	25
70+	0	1	0	20

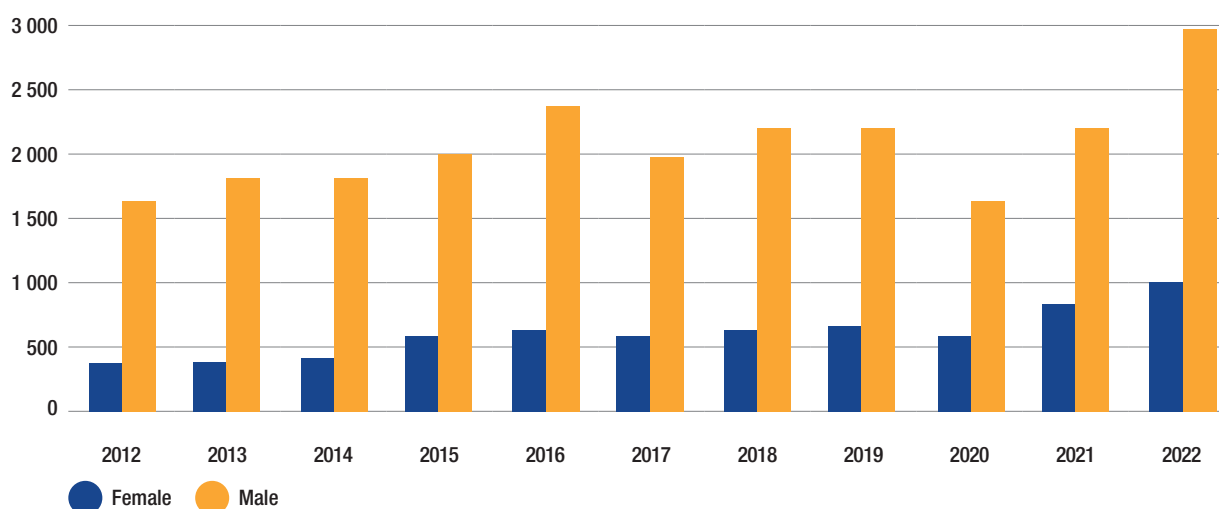
Figure 20: Specified Category Age Analysis



## THE DATABASE OF REGISTERED PERSONS BY GENDER

The database of registered persons is by no means transformed when focusing on gender. The number of females is growing, but at a very slow pace. To retain more of a balance in regard to gender in particular, initiatives will have to start in secondary school, and even before girls decide on their subject selections in Grade 10. Exposure to Science, Technology, Engineering and Design subjects, and understanding of the wider scope of career possibilities that these afford need to be emphasised. The attractiveness of careers in Engineering must become tangible through young female role models who have already made a positive impact within a sector of Engineering.

Figure 21: Registered Persons by Gender





The progress in regard to the increase in female numbers over the last 10 years is evident, but at present there are still only 6 883 actively registered females (Candidates and Professionals across Categories) in the database, while males dominate with a total of 41 496.

Figure 22 illustrates the imbalance of gender specific registrations in the Professional Categories, thus excluding Candidacy.

Figure 22: Professional Registration by Gender and Category

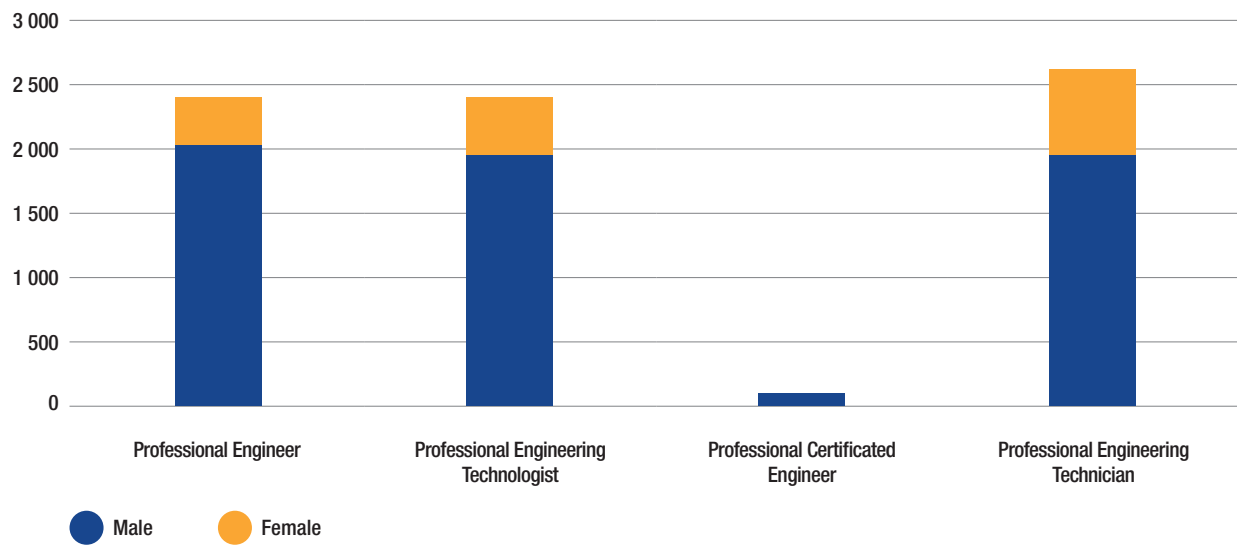
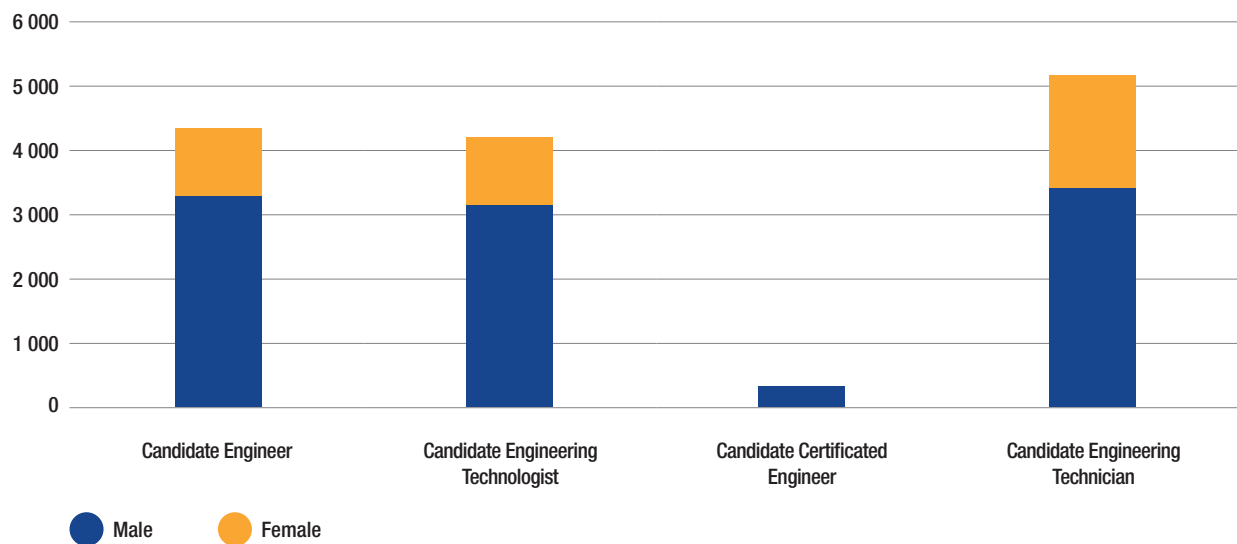


Figure 23 illustrates candidacy registrations by gender, and it is evident that the progress in regard to growth in females in the database leans more towards Candidates than Professionals. It is important that ECSA focuses its attention on these females to ensure conversion to professional status in as short a period as allowed.

Figure 23: Candidate Registration Statistics by Gender and Category



## THE DATABASE OF REGISTERED PERSONS BY RACE, GENDER AND CATEGORY

Table 40: Number of Professional Engineers by Race and Gender

		TOTAL REGISTRATIONS	NEW REGISTRATIONS 2022-23	CANCELLATIONS 2022-23
<b>TOTALS</b>		<b>18 939</b>	<b>364</b>	<b>1 732</b>
<b>African</b>	Male	2 027	107	243
	Female	405	26	46
<b>White</b>	Male	14 075	149	1 268
	Female	960	31	83
<b>Indian/Asian</b>	Male	933	30	59
	Female	231	12	14
<b>Coloured</b>	Male	274	8	17
	Female	34	1	2

Table 41: Number of Professional Engineering Technologists by Race and Gender

		TOTAL REGISTRATIONS	NEW REGISTRATIONS 2022-23	CANCELLATIONS 2022-23
<b>TOTALS</b>		<b>6 479</b>	<b>261</b>	<b>590</b>
<b>African</b>	Male	1 934	127	152
	Female	484	45	37
<b>White</b>	Male	3 145	49	352
	Female	102	3	7
<b>Indian/Asian</b>	Male	468	19	23
	Female	52	2	
<b>Coloured</b>	Male	257	15	18
	Female	37	1	1

Table 42: Number of Professional Certificated Engineers by Race and Gender

		TOTAL REGISTRATIONS	ONEW REGISTRATIONS 2022-23	CANCELLATIONS 2022-23
<b>TOTALS</b>		<b>912</b>		<b>189</b>
<b>African</b>	Male	92	8	22
	Female	3	5	1
<b>White</b>	Male	763	0	157
	Female	9	1	2
<b>Indian/Asian</b>	Male	29	1	2
	Female	1	1	1
<b>Coloured</b>	Male	15	0	4
	Female	0	0	0

Table 43: Number of Professional Engineering Technicians by Race and Gender

		TOTAL REGISTRATIONS	ONEW REGISTRATIONS 2022-23	CANCELLATIONS 2022-23
<b>TOTALS</b>		<b>3 891</b>	<b>167</b>	<b>760</b>
<b>African</b>	Male	1 930	103	395
	Female	709	37	132
<b>White</b>	Male	831	20	174
	Female	48	0	5
<b>Indian/Asian</b>	Male	174	3	5
	Female	15	0	3
<b>Coloured</b>	Male	160	4	42
	Female	24	0	4

## 2.6 THE DATABASE IN RELATION TO CANDIDATES

Table 44: Number of Professional Engineering Technicians by Race and Gender

		TOTAL REGISTRATIONS	3 YEARS AND LESS	4-5 YEARS	LONGER THAN 6 YEARS
<b>TOTALS</b>		<b>9 879</b>	<b>2 376</b>	<b>1 546</b>	<b>3 999</b>
<b>African</b>	Male	3 237	901	510	1 148
	Female	1 197	361	181	378
<b>White</b>	Male	3 031	549	454	1 414
	Female	650	125	110	313
<b>Indian/Asian</b>	Male	994	232	156	450
	Female	414	99	74	173
<b>Coloured</b>	Male	271	86	46	90
	Female	85	23	15	33

ECOSA will focus its initiatives in regard to conversion rates from candidacy to professional status specifically on those Candidates who have been in the system for 4 years and longer. One of the issues identified is a lack of structured mentorship training for Candidates. The Training Academies initiative as explained elsewhere in this report is one of the ways in which ECOSA plans to assist in addressing this issue. The re-mapping of the Registration Model will also be a project to keep a close eye on, together with the mentor-mentee connector initiative.

### TRANSFORMATION OF CANDIDATE REGISTRATIONS OVER A PERIOD OF 3 YEARS

Across all Categories, there is evidence of transformation regarding gender and race of Candidates registering with ECOSA. There is very slow growth of White and Coloured females evident in the database though, while African and Indian female numbers are growing at a slow but steady pace. The tables and graphs in this section illustrate such evidence in specific numbers. It is also on Graduate attraction towards candidacy registration where ECOSA has work to do in the following 3 financial years. Candidacy growth for Certificated Engineers over the past 3 years have been exceptionally slow and this may be a matter for the relevant VA to investigate.

Table 45: Number of Professional Engineering Technicians by Race and Gender

		2020		2021		2022	
		TOTAL REGISTRATIONS	AGE GROUP	NEW REGISTRATIONS 2022-23	AGE GROUP	CANCELLATIONS 2022-23	AGE GROUP
<b>TOTALS</b>							
<b>African</b>	Male	221	25-51	488	22-57	543	22-55
	Female	104	24-41	157	23-44	219	23-44
<b>White</b>	Male	146	25-56	201	24-58	240	23-56
	Female	38	25-37	44	23-41	62	23-42
<b>Indian/Asian</b>	Male	60	25-46	95	23-40	116	23-45
	Female	23	25-38	46	24-46	54	23-36
<b>Coloured</b>	Male	23	25-37	28	24-55	38	23-45
	Female	8	28-36	2	24-32	9	24-28

Figure 24: Candidate Engineer Database Transformation

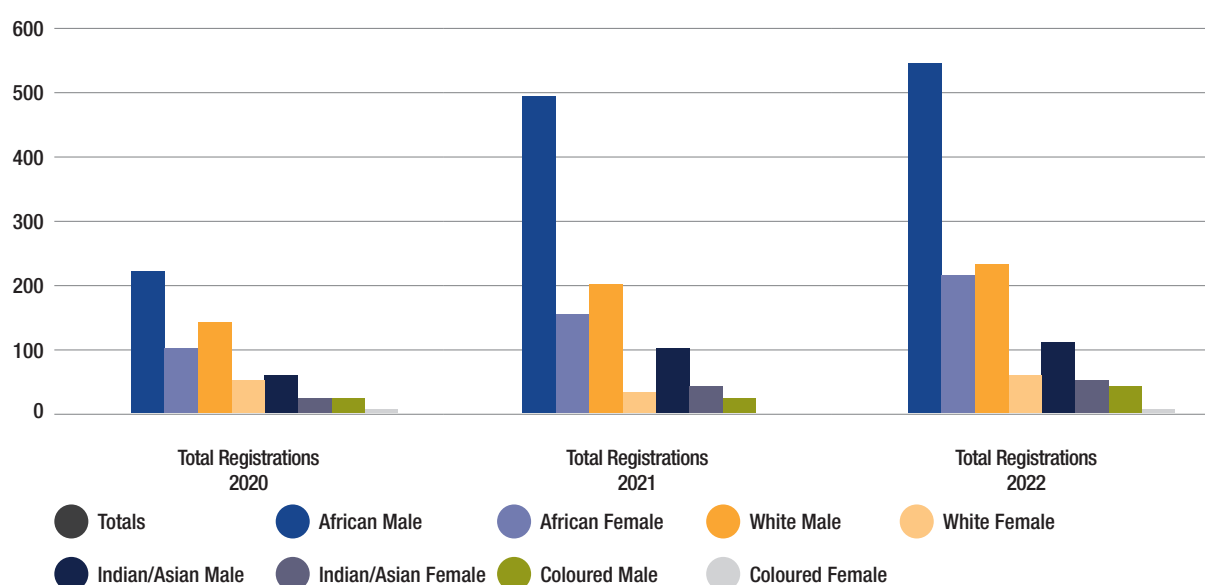


Table 46: Growth in Candidate Engineering Technologists over a period of 3 years

		2020		2021		2022	
		TOTAL REGISTRATIONS	AGE GROUP	NEW REGISTRATIONS 2022-23	AGE GROUP	CANCELLATIONS 2022-23	AGE GROUP
<b>TOTALS</b>							
<b>African</b>	Male	240	25-54	368	24-52	562	22-58
	Female	116	24-44	198	23-47	277	23-49
<b>White</b>	Male	37	26-53	50	25-49	51	23-53
	Female	3	27-30	5	27-43	11	23-46
<b>Indian/Asian</b>	Male	30	24-54	34	24-45	52	24-41
	Female	4	29-30	15	23-42	14	24-32
<b>Coloured</b>	Male	7	29-46	22	26-50	35	23-50
	Female	3	28-34	11	24-39	4	28-32

Figure 25: Candidate Engineering Technologist database transformation

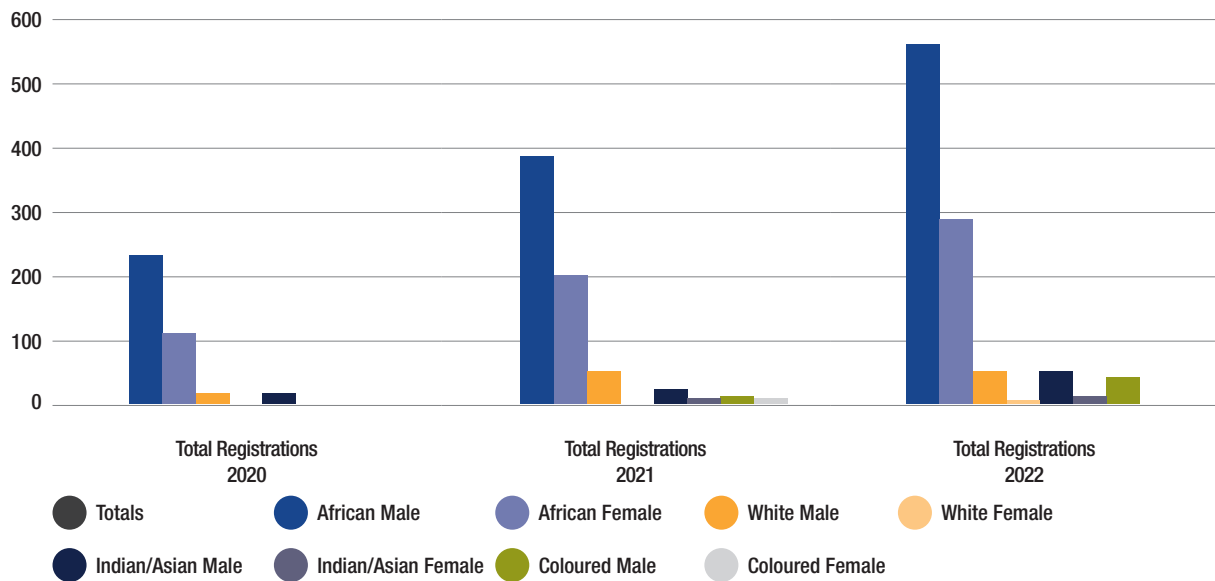


Table 47: Growth in Candidate Certificated Engineers over a period of 3 years

		2020		2021		2022	
		TOTAL REGISTRATIONS	AGE GROUP	NEW REGISTRATIONS 2022-23	AGE GROUP	CANCELLATIONS 2022-23	AGE GROUP
<b>TOTALS</b>							
<b>African</b>	Male	6	46-60	11	34-55	21	29-55
	Female	0	0	0	0	1	39
<b>White</b>	Male	2	31-47	7	28-47	4	36-57
	Female	0	0	1	29	0	0
<b>Indian/Asian</b>	Male	0	0	1	33	0	0
	Female	0	0	0	0	0	0
<b>Coloured</b>	Male	2	35-46	0	0	3	35-52
	Female	0	0	0	0	0	0

Figure 26: Candidate Engineer Database Transformation

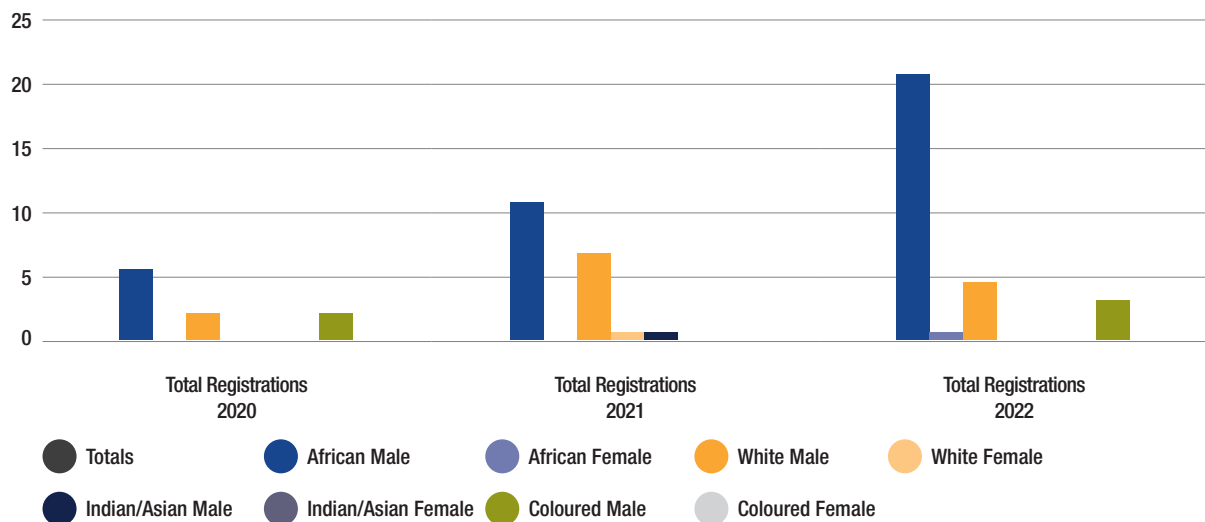
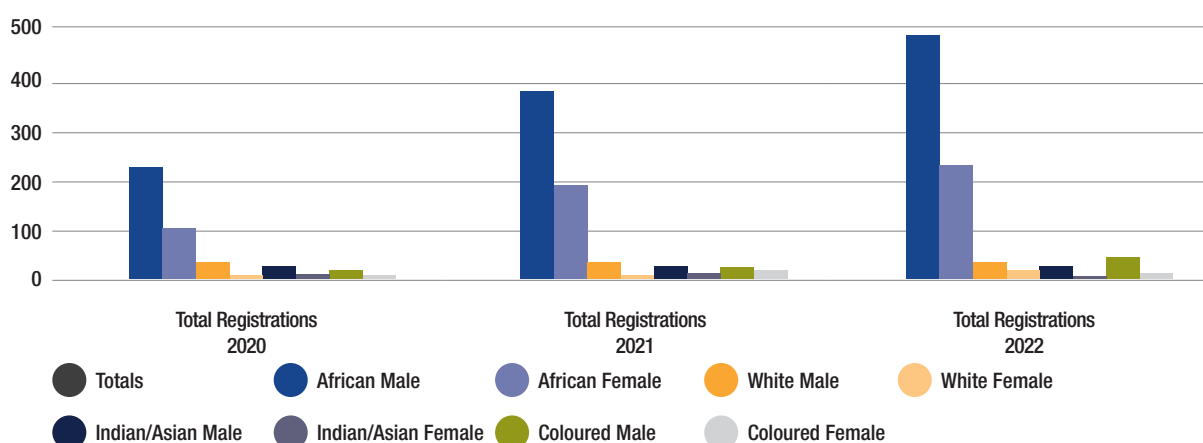




Table 48: Growth in Candidate Certificated Engineers over a period of 3 years

		2020		2021		2022	
		TOTAL REGISTRATIONS	AGE GROUP	NEW REGISTRATIONS 2022-23	AGE GROUP	CANCELLATIONS 2022-23	AGE GROUP
<b>TOTALS</b>							
<b>African</b>	Male	214	24-61	371	23-56	484	23-57
	Female	101	24-44	192	23-51	218	22-48
<b>White</b>	Male	25	27-54	25	25-53	29	25-53
	Female	1	50	1	25	5	24-37
<b>Indian/Asian</b>	Male	17	24-44	15	25-44	16	25-57
	Female	2	27-52	5	25-33	1	38
<b>Coloured</b>	Male	11	28-45	14	24-55	29	24-46
	Female	1	34	10	24-37	6	34-35

Figure 27: Candidate Engineer Database Transformation



## SPECIFIED CATEGORIES

During the 2022-23 financial year, ECSA added three Specified Categories to its list, namely those of Dams Specialist, Glass Specialist, and Dolomite Specialist. A Specified Category provides for the registration of persons who cannot register in one of the professional categories, but who perform critically important work of an engineering nature which has a direct impact on public health and safety. ECSA will continue to do research to determine the need for other Specified Categories.

By the end of the 2022-23 financial year, a total of 133 persons were registered in one of the ECSA Specified Categories, of which 18 new registrations were added to the register during this particular year.

## THE INTERNATIONAL REGISTER<sup>2</sup>

As in previous years, there has been slow growth in numbers of South African Professionals in the International Register, with only 4 persons being added in 2022-23 (three Professional Engineers, and the first Professional Engineering Technician).

Table 49: International Registrations

CATEGORY	TOTAL REGISTRATIONS IN THE INTERNATIONAL REGISTER	NUMBERS ADDED IN 2022-23
Professional Engineer	33	3
Professional Engineering Technologist	13	
Professional Engineering Technician	1	1
<b>Totals</b>	<b>47</b>	<b>4</b>

ECSA will be making a concerted effort through marketing initiatives to add to these numbers by offering free registration for persons who apply in 2023-24 to the International Register, up to a total number of 100.

2 <https://www.ecsa.co.za/EcsaDocuments/sitepages/ecsa%20documents.aspx#IntRegMEA>

### 3. IN SUMMARY: REGISTRATION CHALLENGES EXPERIENCED DURING 2022-23

ECSA experienced a number of challenges during the financial year that impacted on the operations of the Registration Business Unit, and then also evident in the registration statistics. These are not elucidated on to excuse the responsibility to better regulate registration of practitioners, but rather to indicate that 2023-24 will be a year for renewal and finding sustainable solutions.

ECSA does not have access to sufficient numbers of virtual panel reviewers registered under many of the newer/ smaller Disciplines and a number of the Specified Categories, negatively influencing the registration process flow and turnaround times. A solution was developed in quarter 4 in the form of an endorsement procedure which should assist to ensure registration within the required 4-month period from submission of a complete application. ECSA has also initiated closer collaboration with Voluntary Associations to increase the pools of assessors for applications in the Aeronautical, Agricultural, Mining, Industrial and Metallurgical Disciplines. There is also a project in development to harness the registered diaspora of Engineers in other countries to assist in a number of challenging scenarios.

The rescheduling of application interviews or reviews due to extended hours of loadshedding, which affected both the applicants and the reviewers negatively, also affected turnaround times of processing the professional and specified category applications. ECSA is in the process of developing a new Registration Calendar with clear registration cycles to address this matter in an efficient and consistent manner.

The 2022-23 financial year saw an increase in requests for re-registrations from members who defaulted on their annual fees that led to cancellations in the previous two financial years. ECSA is in the process of reviewing its Policy

on Cancellation, Reregistration and Fees to ensure a well-regulated and consistent procedure in this regard. ECSA has experienced an increased number of complaints on possible bias and non-transparency of the registration and especially the interview process. Quarters 1 and 2 of the 2023-24 financial year will see a thorough review of the peer review (VPM-centred) registration model with proposals to address gaps and weaknesses.

Stakeholders can look forward to more collaboration and engagement from ECSA on the above matters as we step into the next financial year.

### 4. SPOTLIGHT ON EDUCATION ACTIVITIES DURING 2022-23

ECSA is committed to the execution of its education related regulatory and quality assurance mandate, first and foremost, through the rigorous cyclical accreditation of HEQSF-aligned engineering programmes offered by Higher Education Institutions (HEIs).

This process provides assurance of the highest standards of education and training that are equivalent globally through alignment with the required standards set by the International Engineering Alliance.

ECSA further ensures consistent evaluation of non-accredited qualifications as the initial step towards application to register with ECSA, the processing of applications for endorsement of new HEQSF-aligned qualifications within the framework of the Council on Higher Education accreditation requirements, as well as the certification of workplace training academies and accreditation of their candidacy mentoring and support programmes.

The four (4) core focus areas of the Education function within ECSA are summarised as follows:

#### ENDORSEMENT

HEIs planning to offer a new Engineering Programmes require formal ECSA endorsement before submission to the CHE for its particular programme accreditation (not to be confused with the ECSA accreditation).

#### ACCREDITATION

Formal ECSA recognition awarded to an Engineering Programme offered by a registered HEI through a rigorous cyclical quality assurance procedure that ensures it meets the criteria laid down for the type of programme

#### EDUCATION EVALUATION

A process to determine the equivalence of a non accredited and/ or foreign qualification to the standards of an ECSA accredited qualification as a first step towards an application for registration.

#### TRAINING ACADEMIES

The formal Certification of a public or private entity as an ECSA Training Academy and the accreditation of the Candidacy training and mentoring programmes offered by the TA.

Figure 28: Four core focus areas of the Education Business Unit

## 4.1 ENDORSEMENT OF ENGINEERING PROGRAMMES

The process of endorsement entails a high-level professional assessment of a proposed Engineering programme to determine whether it has the potential, in the fullness of time, to become an ECSA accredited qualification. After ECSA endorsement follows the CHE accreditation and SAQA registration of the programme on the National Qualifications Framework, whereafter the ECSA accreditation cycle commences.

During the 2022-23 financial year, ECSA endorsed twelve (12) programmes as indicated in Table 1.

Table 50: Twelve (12) programmes endorsed by ECSA during the 2023-23 financial year.

NAME OF HE INSTITUTION	NAME OF ENGINEERING QUALIFICATION
<b>Engineering College of Science and Technology (EIT)</b>	<ul style="list-style-type: none"> <li>Bachelor of Engineering Technology in Electrical Engineering</li> </ul>
<b>AIE Institute of Excellence</b>	<ul style="list-style-type: none"> <li>Advanced Certificate in Engineering: Civil Engineering Draughting and Design</li> <li>Advanced Certificate in Engineering: Electrical Engineering Draughting and Design</li> <li>Advanced Certificate in Engineering: Mechanical Engineering Draughting and Design</li> <li>Advanced Certificate in Engineering: Structural Steel Detailing Draughting and Design</li> <li>Bachelor of Engineering in Electrical &amp; Electronics Engineering (Resubmission)</li> </ul>
<b>Stadio</b>	<ul style="list-style-type: none"> <li>Higher Certificate in Mechatronic Engineering</li> <li>Higher Certificate in Renewable Energy Engineering</li> </ul>
<b>Central University of Technology (CUT)</b>	<ul style="list-style-type: none"> <li>Diploma in Engineering in Civil Engineering</li> <li>Diploma in Engineering in Mechanical Engineering</li> <li>Diploma in Engineering in Electrical Engineering</li> </ul>
<b>University of the Free State (UFS)</b>	<ul style="list-style-type: none"> <li>Bachelor of Engineering in Agricultural and Biosystems Engineering</li> </ul>

## 4.2 ACCREDITATIONS 2022-23

ECSA conducts three (3) types of Accreditation visits through a rigorous peer-review and policy-directed process:

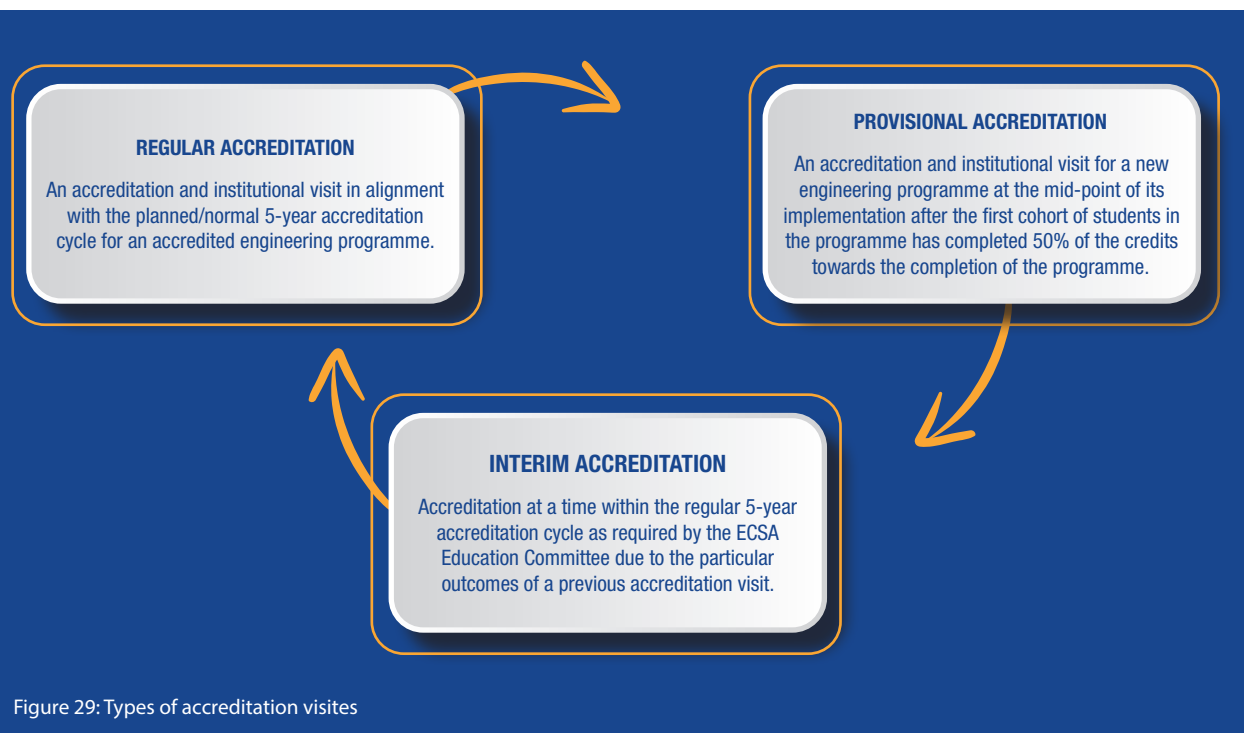


Figure 29: Types of accreditation visits

ECSA conducted eleven (11) hybrid accreditation visits during the 2022-23 financial year with a total of fifty seven (57) programmes being successfully accredited.

Details of the visits are as follows:

Table 51: Higher Education Institution Visits

NAME OF HIGHER EDUCATION INSTITUTION	DATE OF ACCREDITATION	TYPE OF ACCREDITATION	NUMBER OF PROGRAMMES
University of South Africa	14 – 15 July 2022	Regular	7
Cape Peninsula University of Technology	18 – 19 August 2022	Provisional	3
		Interim	2
		Regular	6
University of Johannesburg	25 – 26 August 2022	Regular	3
Mangosuthu University of Technology	8 – 9 September 2022	Regular	2
University of Pretoria	12 – 13 September 2022	Regular	9
Tshwane University of Technology	26 – 30 September 2022	Provisional	1
		Interim	2
		Regular	4
University of Witwatersrand	11 -14 October 2022	Regular	9
Durban University of Technology	17 - 18 October 2022	Provisional	3
		Regular	1
Central University of Technology	20 – 21 October 2022	Provisional	2
		Regular	1
Walter Sisulu University	3 – 4 November 2022	Provisional	1
North-West University	15 – 18 November 2022	Provisional	1

#### 4.3 EVALUATION OF QUALIFICATIONS TOWARDS THE DETERMINATION OF EQUIVALENCY

Individuals seeking registration with ECSA as engineering practitioners while they are in possession of non accredited local or foreign engineering qualification(s), or those not recognised by ECSA through the International Engineering Alliance (IEA) accords, that is, the Washington Accord, Dublin Accord and Sydney Accord, may request ECSA to evaluate such qualification(s) so as to determine substantial equivalence to determine eligibility towards application for registration with ECSA in one of its Categories.

#### STEPS FOR EDUCATION EVALUATION APPLICATION

##### STEP 1

Applicants get their qualification verified by MIE for authentication.

##### STEP 2

Submission of the education evaluation application form with supporting documents by the applicant.

##### STEP 3

Application is evaluated by our ECSA appointed assessors from academia and industry.

##### STEP 4

The applicant may be required to be interviewed.

##### STEP 5

Outcome of education evaluation is issued to the applicant.

##### STEP 6

If the qualification is found to be substantially equivalent to meet the requirement to register, the applicant submits an application for registration.

##### STEP 7

If the qualification doesn't meet the requirement for registration and is rejected, the applicant is advised on what he/she needs to do.

Figure 30: Steps for Education Evaluation Application

## 2022-23 EDUCATION EVALUATIONS: NON-ACCREDITED AND/OR FOREIGN QUALIFICATIONS

Table 52: Number of non-accredited qualification applications processed

Category	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
<b>Engineers</b>	24	6	11	24	15	6	10	7	1	6	20	20	150
<b>Technologist/ Technician</b>	9	10	4	4	4	3	1	5	0	2	5	3	50
<b>Total</b>	<b>33</b>	<b>16</b>	<b>15</b>	<b>28</b>	<b>19</b>	<b>9</b>	<b>11</b>	<b>12</b>	<b>1</b>	<b>8</b>	<b>25</b>	<b>23</b>	<b>200</b>

This total is much aligned to those of the previous year, with 188 applications having been processed during 2021-22.

## SUBSTANTIAL EQUIVALENCE OF NON-ACCREDITED QUALIFICATIONS

Table 53: Number of non-accredited qualification evaluations accepted as substantially equivalent to ECSA accredited qualifications for Professional Engineers application status

Professional Engineer applications	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
<b>BEng</b>	4	4	3	9	0	3	1	0	0	0	5	7	36
<b>Washington Accord</b>	0	2	0	2	4	0	0	2	0	2	0	0	12
<b>Total</b>	<b>4</b>	<b>6</b>	<b>3</b>	<b>11</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>7</b>	<b>48</b>

The total number of non-accredited qualifications found to be substantially equivalent is less than that of the previous year, when a number of 57 qualifications were approved towards the further application to register with ECSA as a Professional Engineer. In looking at comparative data with previous years, there are no notable trends to be found in regard to submissions or approvals. The Division is busy developing a detailed tracker to be able to report on more specific trends in this regard.

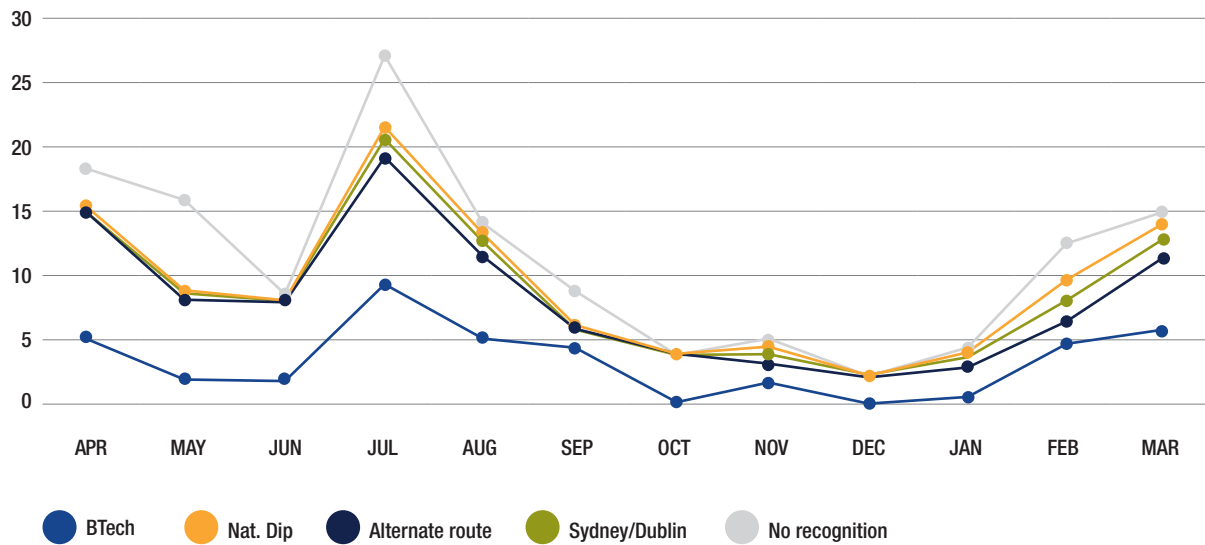
Table 54: Number of non-accredited qualification evaluations accepted as substantially equivalent to ECSA accredited qualifications for Professional Technologist or Technician application status

Professional Technologists/ Technician applications	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
<b>BTech</b>	5	2	2	9	5	4	0	2	0	1	4	6	40
<b>National Diploma</b>	9	5	2	7	5	1	4	0	0	1	2	6	42
<b>Alternative route application</b>	1	0	3	3	1	1	0	1	2	0	0	1	13
<b>Sydney/ Dublin Accord applications</b>	0	1	0	2	1	0	0	1	0	1	3	1	10
<b>Total</b>	<b>18</b>	<b>16</b>	<b>8</b>	<b>27</b>	<b>13</b>	<b>8</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>12</b>	<b>15</b>	<b>132</b>

A total number of 27 Education Evaluations for equivalence towards application status for either a Professional Technologist or Technician were not recognised due to these qualifications not addressing the required exit level competencies and levels of complexity.

Interestingly, when comparing the number of evaluations for these categories in the previous year (# = 156), there is an indication that applications increase substantially by the end of quarter 1 of a financial year, with the lowest numbers of applications during quarter 3 of 2021-22 and 2022-23. This may be in relation to the academic cycles of other countries, and will be one of the trends to be further investigated with the detailed tracker in development.

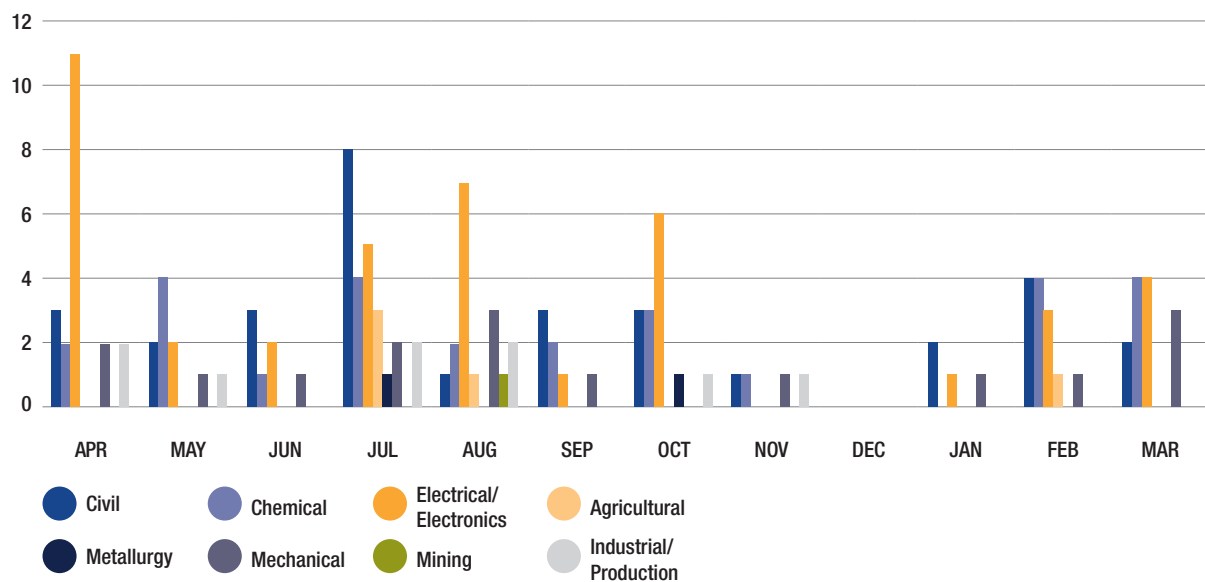
Figure 31: Qualifications evaluated for substantial equivalence for Candidate Technologist/Technician Application



The final graph provides an indication of the numbers of interviews conducted in different Disciplines across Categories in the four quarters of 2022-23 and is aligned with the finding above regarding increased applications for education evaluation in quarter 2.

Figure 32: Qualifications evaluated for substantial equivalence for Candidate Technologist/Technician Application

**INTERVIEWS CONDUCTED PER QUARTER FOR EDUCATION EVALUATIONS TOWARDS APPLICATIONS IN THE CATEGORIES OF PROFESSIONAL ENGINEER, TECHNOLOGIST AND TECHNICIAN IN VARIOUS DISCIPLINES.**





#### 4.4 TRAINING ACADEMIES

One of ECSA's key strategic objectives is to establish and support initiatives that will contribute positively to the candidacy journey towards professional registration, and thereby an enhancement of candidacy conversion rates. One of these initiatives is that of the establishment and certification of ECSA Training Academies, and concomitant accreditation of appropriate high quality structured Candidacy Training and Mentoring programmes. Through such purposeful training, appropriate mentoring and support, engineering Candidates will be better guided to be prepared for the application for professional registration with ECSA in one of the professional categories.

The public or private entity interested in becoming certified as an ECSA Training Academy enters into a MoU with the ECSA and thereafter follow the steps to retain certification. It is recommended that the Training Academy has at least five (5) candidates in the relevant category and discipline to ensure the viability of the certification, and to grow the candidacy pipeline annually.

There has been considerable progress with the Training Academies initiative during the 2022-23 financial year.

#### KEY ACCOMPLISHMENTS:

- Accreditation of four (4) Candidacy Training and Mentoring Programmes at the first Training Academy that has been endorsed for certification — Bosch Ulwazi.
- The desktop evaluation of two organisations has been successfully completed and both were endorsed for certification i.e. Rand Water and NECSA. ECSA will be conducting site visits of these two organisations in 2023/2024.
- ECSA has embarked on engagements with various organisations to secure potential assistance with funding opportunities for Candidates and potential Training Academies.
- The costing model for TA Certification & Accreditation was finalized.

ECSA continues to engage with and provide support to all organisations that have expressed an interest to be certified as Training Academies.

### ECSA TRAINING ACADEMIES

1. **WHAT IS CERTIFICATION?**  
Formal recognition awarded to a Training Academy through a quality assurance procedure specifying that it meets the requisite criteria to offer engineering training programmes to registered candidates.

2. **WHAT IS AN ACCREDITED TRAINING PROGRAMME?**  
A programme that has been evaluated and recognised by ECSA as meeting the stated criteria for a candidate to achieve competence standards to apply for professional registration.

3. **WHO IS TO BE TRAINED?**
  - All candidates that have as accredited, recognized or assessed equivalent qualification and have registered with ECSA as a candidate
  - Experienced Engineers who are still registered as candidates and not yet as professionals

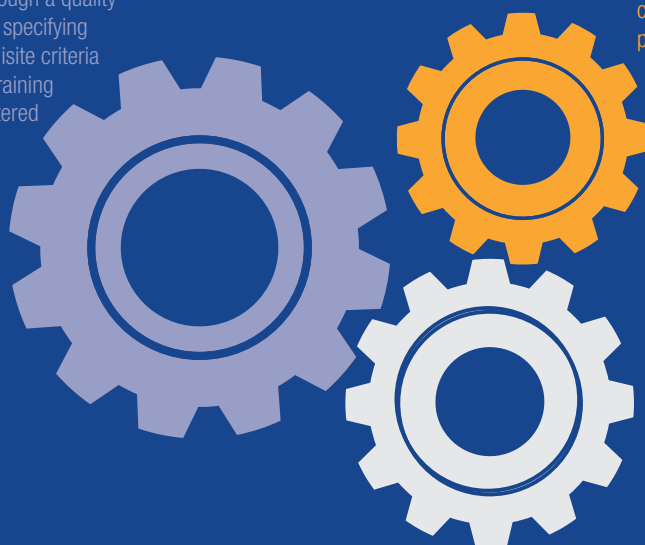


Figure 33: ECSA Training Academies

## 5. CONTINUING PROFESSIONAL DEVELOPMENT COMPLIANCE AND REGULATION

### 5.1 INTRODUCTION

Since 2018, ECSA continues to monitor the implementation and professional compliance to the CPD framework in accordance with the EPA (No. 46 of 2000), and through the Rules related to CPD and Renewal of Registration (gazetted in May 2017), as well as the CPD Standard that was developed in 2018.

ECSA is designated as the sole custodian of CPD in the Standard, with other key role players such as Voluntary Associations (VAs), Higher Education Institutions (HEIs), and CPD Service Providers performing critical functions that are delegated and monitored by the ECSA. The purpose of the Standard was to provide additional clarification on the implementation of the CPD provisions in the EPA and the CPD Rules.

### 5.2 CONCEPTUAL STRUCTURE OF CONTINUING PROFESSIONAL DEVELOPMENT

Figure 34 shows the conceptual framework of CPD in terms of the Rules and also illustrates the various levels and criteria, as well as the roles and responsibilities of the abovementioned key stakeholders.

### 5.3 REVIEW OF THE CPD RULES

The CPD Task Team, in collaboration with the Research, Policy, and Standards (RPS) Division, reviewed and finalised the draft CPD Rules during the 2022-23 financial year. The purpose of the review was to ensure the alignment of the CPD Rules with the CPD Standard and the Policy and Standards Framework of ECSA. During quarter 1 of 2023-24, the RPS Division will call for comments on the amendments to the draft CPD Rules from the ECSA recognised VAs, HEIs and registered persons, whereafter it will be submitted to Council for approval and publication in the Government Gazette.

### 5.4 RECOGNITION AND ENGAGEMENT OF VOLUNTARY ASSOCIATIONS

VAs apply for recognition in terms of section 36 (1), and are recognised by the Council in terms of Section 25 (3) of the EPA. Recognition is valid for a period of 5 years, before which the VA must apply to ECSA for re-recognition. VAs are recognised as one of ECSA's primary stakeholder groups as they have at the core of their organisational mission also the promotion and protection of the engineering profession. ECSA values VA engagement and the 2022-23 financial year has seen a renewed focus to engage and collaborate with VAs on various matters of importance. ECSA is currently in the process of also developing a new VA engagement

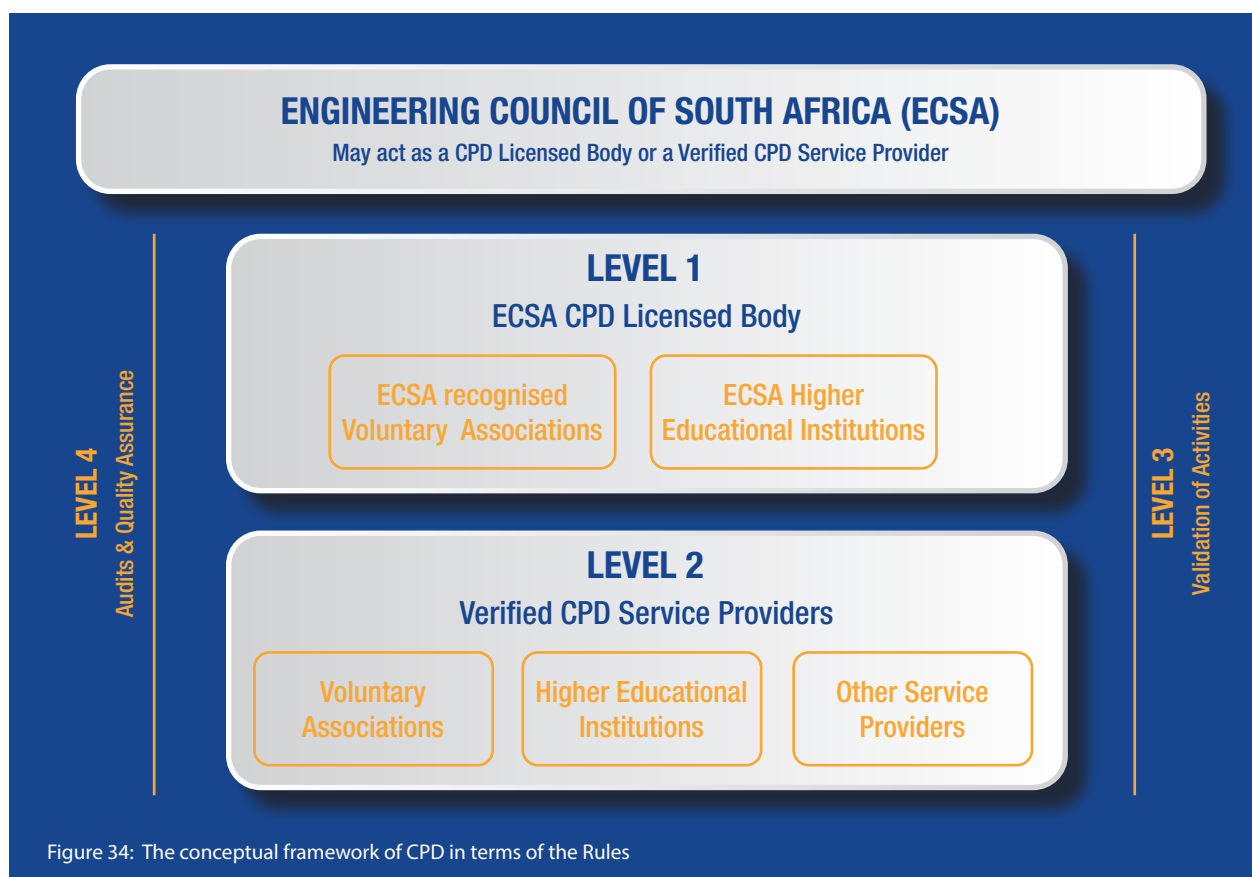


Figure 34: The conceptual framework of CPD in terms of the Rules

framework that will go out for comments to VAs during quarter 3 of 2023-34.

ECSA recognises VAs according to the following categories:

#### Category A:

Associations whose membership consists of natural persons who, subject to the applicable provisions of Rule 3, are practicing in engineering in any particular discipline or sub-discipline of engineering; or in any particular category of registration contemplated in Section 18 of the Act.

#### Category B:

Associations whose membership consist of juristic persons, including sole proprietors (corporate members) who, subject to the applicable provisions of Rule 4, are engaged in carrying out work of an engineering nature.

One of the benefits to ECSA registered members of recognised VAs (Categories A and B) is a discount on ECSA annual fees.

ECSA currently recognises 56 VAs. The complete list of recognised VAs can be found on the ECSA website following the link below:

[https://www.ecsa.co.za/stakeholders/VoluntaryDocuments/Consolidated%20list%20of%20VA%60s\\_Rev.2\\_July%202022.pdf](https://www.ecsa.co.za/stakeholders/VoluntaryDocuments/Consolidated%20list%20of%20VA%60s_Rev.2_July%202022.pdf)

## 5.5 CPD AND VA STAKEHOLDER ENGAGEMENT

### RECOGNISED VOLUNTARY ASSOCIATIONS

The total number of recognised Voluntary Associations increased to fifty-six (56) following the successful addition of the Cement & Concrete SA (CEMCON-SA) VA in 2022. ECSA continues to engage with new applications for recognition of Voluntary Associations who meet the requirements as per the VA Recognition Framework.

### RECOGNITION OF LICENSED BODIES

ECSA recognises CPD Licensed Bodies and delegates to these Bodies the power to verify CPD Service Providers and validate CPD Category 1 Activities. These Licensed Bodies ensure that CPD Activity quality is of an appropriate scope and standard for the target audience in terms of engineering category and discipline.

Table 55: Recognition of Licensed Bodies

	FINANCIAL YEAR	
	2021-22	2022-23
<b>Total new Licensed Bodies Recognised</b>	4	4

The Licensed Bodies that were recognised during 2022-23 are:

- Institute for Work at Height Professional Body (IWH)
- South African Road Federation (SARF)
- Water Institute of South Africa (NPC)
- University of the Witwatersrand (WITS)

The complete list of recognised Licensed bodies can be found at the following link:

[https://www.ecsa.co.za/cpd/MaintainReg/LB%20Recognition%20list\\_website%20publication\\_6.pdf](https://www.ecsa.co.za/cpd/MaintainReg/LB%20Recognition%20list_website%20publication_6.pdf)

### VERIFIED CPD SERVICE PROVIDERS

Verified CPD Service Providers comprise HEIs, ECSA-recognised VAs, private providers and any private educational institution approved by Council to offer appropriate learning and development in respect of the requirements for Category 1 CPD Activities.

Licensed bodies cannot verify themselves as CPD Service Providers and need to apply to ECSA for verification.

CPD Service Providers are accountable for delivering validated CPD Activities and is the only authority that can apply to a recognised Licensed Body for validation of CPD Activities. The status of a verified CPD Service Provider is not transferable to a third party; and the CPD Service Provider remains accountable for delivering the validated activities.

Table 56: CPD and VA Stakeholder Engagement

TOTAL CPD STAKEHOLDERS (VAS & HEIS)		RECOGNISED VOLUNTARY ASSOCIATIONS (VAS)		RECOGNISED LICENSED BODIES		VERIFIED CPD SERVICE PROVIDERS	
VAs	56	Category A	32	HEIs	8	HEIs	6
HEIs	8	Category B	24	VAs	42	VAs	33
<b>TOTAL</b>	<b>64</b>		<b>56</b>		<b>50</b>		<b>39</b>

The CPD Service providers verified by ECSA and ECSA Recognised Licensed Bodies during this reporting period are:

1. Association of Municipal Electricity Utilities (AMEU)
2. Chamber of Engineering Technology (COET)
3. Clinical Engineering Association of South Africa (CEASA)
4. Consulting Engineers South Africa (CESA)
5. Illumination Engineering Society of South Africa (IESSA)
6. Institute of Professional Engineering Technologists (IPET)
7. Institution of Municipal Engineering of Southern Africa (IMESA)
8. Institution of Railway Signal Engineers, Southern Africa Section (IRSE)
9. International Council on Systems Engineering – SA Chapter (INCOSE SA)
10. Lifting Equipment Engineering Association of South Africa (LEEASA)
11. Nelson Mandela University (NMU)
12. Society for Asphalt Technology (SOCASAT)
13. South African Institute of Electrical Engineers (SAIEE)
14. South African Institute of Marine Engineers and Naval Architects (SAIMENA)
15. South African Institute of Refrigeration and Air-conditioning (SAIRAC)
16. Southern African Institute of Mining and Metallurgy (SAIMM)
17. South African Institute of Welding (SAIW)
18. South African Institution of Chemical Engineers (SAIChE)
19. South African Institution of Civil Engineering (SAICE)
20. South African National Committee on Large Dams (SANCOLD)
21. South African Road Federation (SARF)
22. Southern African Asset Management Association (SAAMA)
23. Southern African Society for Trenchless Technology (SASTT)
24. The South African Institution of Mechanical Engineering (SAIMechE)
25. University of the Witwatersrand (WITS)
26. Water Institute of Southern Africa (WISA)

## 5.6 AUDITING OF LICENSED BODIES

ECSA rigorously quality assures the recognition of CPD Licensed Bodies and/or Verified CPD Providers. The criteria, policies and procedures that define the licensing, verification and validation are defined in the CPD Standard (ECPD-01-STA).

The CPD Committee (CPDC), a high impact committee of the Council, is responsible for decision-making regarding auditing of these bodies. The ECSA Council has delegated this authority to the CPDC to grant recognition, verification and validation for a defined period. In addition, the CPDC may authorise provisional recognition, verification and/or validation after consideration of the full report from the auditing team and may recommend additional audits at its discretion. The Council has also delegated authority to the CPDC to withhold recognition, verification and/or validation from the relevant bodies or to withdraw recognition, verification and/or validation from existing bodies.

Table 57: Auditing of Licensed Bodies

	FINANCIAL YEAR	
	2021-22	2022-23
<b>Licensed Bodies Audited</b>	4	15
<b>Requests for Postponement</b>	1*	3*

(\*Nelson Mandela University, Mangosuthu University, South African National Committee on Large Dams, and University of Cape Town)

## 5.7 RENEWAL OF REGISTRATION (CPD COMPLIANCE)

The five-year cycle of each registered person registered in the professional and specified categories commences on the anniversary date on which such a registered person initially became registered with the Council. This date appears on the registered person's certificate of registration, which also constitutes expiry of his or her registration.

The Council must notify the registered person at least five (5) months prior to the relevant expiry date of their registration, as the registered person is required in terms of these CPD Rules to apply for their registration at least three (3) months prior to the expiry date.

The following are the three fundamental rules of the CPD system that each registered person must comply with to qualify for the registration renewal.

- i. During each five-year cycle, every registered person must accumulate a minimum of twenty-five (25) credits to qualify for the renewal of registration.
- ii. CPD credits must be obtained in at least two of the three categories listed over the five-year cycle. A minimum total of three (3) CPD credits must be obtained across any two of the three CPD categories per year.

Table 58: Annual Renewal of Registration

ANNUAL RENEWAL OF REGISTRATION 2021-22			
RENEWALS DUE	RENEWALS OUTSTANDING	RENEWAL NUMBER	RENEWAL RATE
3970	1670	2300	57.93%

ANNUAL RENEWAL OF REGISTRATION 2022-23			
RENEWALS DUE	RENEWALS OUTSTANDING	RENEWAL NUMBER	RENEWAL RATE
3784	2184	1600	42.28%

- iii. The registered person must accumulate at least five (5) credits per five-year cycle from Category 1: Developmental Activities. Every registered person must ensure that Category 1 activities attended are validated in accordance with the ECSA requirements for validated activities. Activities that do not meet the requirements will not be recognised by ECSA. The types of activities that constitute CPD are described in the CPD Rules.

In comparison to the previous financial year, the annual renewal rate for 2022-23 is lower. It is important to note that completed renewals and thus the annual renewal rate, is cumulative in nature, meaning the renewal rate increases daily and annually as ECSA administration continues to process and finalise the renewal submissions received from previous years and cycles for the registered persons who are due for renewal. This is an issue of concern because it points to the leniency that has been afforded to registered persons in complying with CPD within the required 5-year cycle.

ECSA will be addressing the matter in the upcoming financial year and communicating on the need for stricter discipline throughout the profession in regard to CPD compliance, especially with the Identification of Engineering Work Regulations enforcement date of April 2025 looming. ECSA is also looking into procuring digital verification services for registration and persons in good standing, which would include real-time verification of registration status through a live QR code.

## 5.8 AUDITED REGISTERED PERSONS FOR CPD COMPLIANCE

In accordance with Section 11 of the Rules on CPD, ECSA performs random audits to assess whether the registered person fulfills the requirements of these Rules. These audits include all CPD records for the renewed registered individual during a specified renewal cycle.

In each quarter of a financial year, ECSA randomly selects twenty-five (25) registered individuals in different categories who met the criteria for renewal of registration during each quarter of the financial year. These registered persons are informed of the audit and are requested to provide documentary proof of all CPD activities completed during the five-year cycle within four weeks of the official communiqué. The auditing of registered persons is done in a current financial year for the previous financial year.

In the 2021-22 financial year 90% of the 100 persons audited were found to be compliant, with 10% having difficulty supplying all the relevant documentation as proof of their compliance.

ECSA is currently auditing registered persons who finalised their renewals during the 2022-23 financial year, and thus far for quarters 1 and 2, the documentation of thirteen out of fifty registered persons are still outstanding. For quarters 3 and 4, the request for documentation will be sent out in quarter 1 of 2023-24.

## 5.9 COSTING OF CPD ACTIVITIES

ECSA has been receiving ever increasing escalation of queries related to the rise in costs related to the various CPD Activities offered by CPD Service Providers. ECSA has commissioned a research study on the costing of CPD Activities (Category A) offered by CPD Service providers with national and international benchmarking to determine a way forward and the need for better regulation or balancing of such costs, especially in regard to more generic-type activities. The outcomes of the research will come to the CPDC at the end of quarter 4 of 2023-24 for further action.



PART F  
RESEARCH,  
POLICY &  
STANDARDS

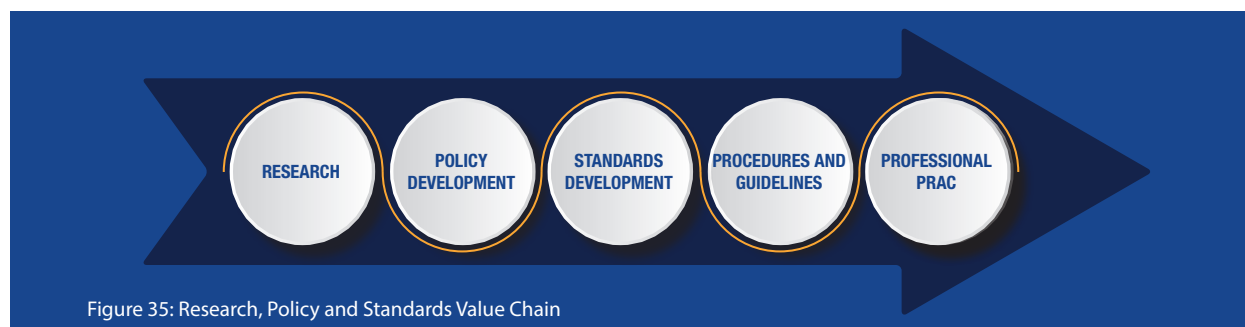




## 6. RESEARCH, POLICY, AND STANDARDS

### 1. OVERVIEW

As part of its research, policy and standards development function, ECSA regulates the profession through conducting research, developing instruments such as policies, standards, procedures and guidelines for the profession in line with the Engineering Professions Act, 46 of 2000, ECSA Strategy and International Engineering Alliance standards. The development process for the regulatory instruments entail identifying the need, conducting the research, and producing reports and developing related regulatory instruments as indicated in Figure 35.



### 2. ECSA INTERNATIONAL ENGAGEMENTS

#### INTERNATIONAL ENGINEERING ALLIANCE (IEA)

The Engineering Council of South Africa has continued to comply with all the requirements for continued recognition by the International Engineering Alliance (IEA) and its constituent Accords and Competency Agreements.

ECSA is currently a member of the following Accords:

- Washington Accord (WA): a mutual recognition of educational qualifications for education of engineers.
- Sydney Accord (SA): a mutual recognition of educational qualifications for education of technologists.
- Dublin Accord (DA): a mutual recognition of educational qualification for education of technicians.

ECSA is further the member of the following Competency Agreements:

- International Professional Engineers Agreement (IPEA): for the engineers
- International Engineering Technologists Agreement (IETA): for Technologists
- Agreement of International Engineering Technicians (AIET): for the Technicians

During the period under review, ECSA has been subjected to the International Professional Engineers Agreement (IPEA) review whose outcome will be tabled in the June 2023 International Engineering Alliance Meetings due to take place in Taichung, Taiwan for consideration by IEA member States. ECSA continued to deploy experts to serve in the IEA future periodic and verification review teams.

The following experts participated in the IEA commissioned reviews for the period 2022 to 2023:

- Ms Refilwe Buthelezi: International Engineering Technologist Agreement (IETA) for ECUK
- Mr Thembinkosi Cedric Madikane: Washington Accord (WA) for ABET-USA
- Mr James Motladiile: Sydney Accord (SA) for ABET-USA
- Mr Jones Moloisane: Sydney Accord (SA) for ECUK

#### SAFEQ, FAEO AND WFEO

ECSA continues to be a member of the following additional critical bodies in the SADC region, Africa and globally:

- South African Federation of Africa Engineering Organizations (SAFEQ);
- Federation of Africa Engineering Organisations (FAEO); and
- World Federation of Engineering Organisations (WFEO).

Such participation has been part of ECSA's endeavour to be the voice of the engineering profession across all continents, to give effect to its mandate and facilitate mobility of local engineers in different jurisdictions.

ECSA is the only country in Africa which is a member of the International Engineering Alliance and because of that it is mandated to do capacity building and mentorship of continental jurisdictions. Against this backdrop, ECSA has been instrumental in assisting countries like Botswana, Mauritius and Zambia to put systems in place for admission into IEA. ECSA has continued to participate in SAFEQ, FAEO and WFEO activities such as the Botswana Africa Engineering Week; Zambia Africa Engineering Week and

AGM as well as the WFEO Annual General Assembly which took place in Spain.

ECSA has participated in other African initiatives like climate change and just energy transition initiatives driven by FAEO through the Energy Working Group and the Electricity Sub-Working Group currently chaired by the ECSA Council member and Finance and Staff Chairperson, Mr Matome Edmund Modipa. The Working Group plays an advisory role on how energy should be undertaken in the continent of Africa which also includes dealing with issues of oil and gas. The latter initiatives and the establishment of the Working Group on Energy are geared to influence the SA government, SADC and AU policies around Energy, oil and gas related issues including influencing infrastructure projects.

### ACCREDITATION SUPPORT TO THE SADC REGION

During this financial year (April 2022 to March 2023), ECSA provided programme accreditation support, specifically to the University of Mauritius, in preparation of its next accreditation visit, scheduled for January 2024.

Other assistance provided in each Quarter are as follows:

In Quarter 1, The Engineering Registration Board Botswana (ERB) requested ECSA to provide training on the accreditation processes, endorsement of programmes, and evaluation of qualifications processes and to be part of the accreditation visits as observers for the upcoming accreditations.

In Quarter 2, the ECSA Education team, together with the mentors assigned to Botswana and Zambia, worked on finalising a roadmap for mentorship.

In Quarter 3, key stakeholders from the Engineers Registration Board in Botswana were invited as Observers to the ECSA Accreditation Visit of the Central University of Technology. This proved to be a helpful opportunity for them as they prepare to implement their own Accreditation processes and policy development.

## 3. RESEARCH INITIATIVES

The Engineering Profession Act (No. 46 of 2000) enjoins the Engineering Council of South Africa in terms of section 14(f) to encourage and undertake research into matters relating to the engineering profession. ECSA has therefore conducted research for the introduction of additional engineering disciplines to be responsive to the evolution of the engineering sector. The other research activities that ECSA has undertaken to respond to such development are, among others:

- ECSA's response to key national infrastructure initiatives,

- The introduction of examinations as a possible ECSA registration model,
- Identifying attrition in the engineering skills pipeline,
- Identifying reasons for the decline in the renewal rate of registered persons,
- Articles and proposals for the introduction of new specified categories.

### 3.1. PROPOSALS FOR THE INTRODUCTION OF NEW SPECIFIED CATEGORIES

Due to the sectoral demands, the following proposals have been compiled:

#### 3.1.1 SPRINKLERS SPECIALISTS

A Sprinkler Systems Specialist is a person who is competent in water-based systems described prescriptively by the National Fire Protection Association (NFPA) 13 Standard for the Installation of Sprinkler Systems.

#### 3.1.2 WATER SPRAY SYSTEMS SPECIALISTS

A Water Spray Systems Specialist is a person who is competent in water spray systems described prescriptively in NFPA 15 Standard for the Installation of Water Spray Fixed Systems for Fire Protection.

#### 3.1.3 FOAM WATER-BASED SYSTEMS SPECIALISTS

A Foam Water-Based Systems Specialist is a person who is competent in foam-water systems described prescriptively in NFPA 16 Standard for the Installation of Foam-Water Sprinkler and Foam-Water Spray Systems as well as NFPA 11 Standard for Low, Medium and High-Expansion Foam.

The above proposals were presented to the RPSC in August, 2022, and the feasibility studies are due to be conducted during the 2023/2024 financial year.

## 3.2 RESEARCH REPORTS

The RPS division conducted the following research in the 2022/23 financial year:

### 3.2.1 RESEARCH REPORT ON ECSA'S RESPONSE TO KEY NATIONAL INFRASTRUCTURE INITIATIVES

The study investigated how the ECSA can respond to national infrastructure initiatives. An extensive literature review was conducted to understand how other professional bodies responded to the subject. Interviews via focus groups and questionnaires were used as a method of data collection from ECSA registered persons with key knowledge and experience in infrastructure and other stakeholders.

The literature review highlighted that most of the activities performed by international engineering regulatory institutions are covered under ECSA's core functions of registration, accreditation, development of engineers and regulation of the profession.

It was evident from the study that engineering professionals should be given the chance or opportunity to participate in infrastructure initiatives to provide leadership and direction and use their knowledge and skills in the project life cycle. This will likely attract higher investment in infrastructure development projects for much needed economic growth.

The conclusion of the study has given rise to some recommendations, which include consideration of the following:

- ECSA should emulate what other international regulatory bodies are doing by being proactive, vocal, and advocating for issues impacting the engineering profession.
- ECSA must focus and advise the government on the engineering skills shortage and pipeline, national infrastructure plan 2050, budget speech, procurement practices, government policies, white papers, infrastructure bills, etc.
- ECSA should consider partnering with the department of the Auditor-General to assist with auditing infrastructure projects.
- ECSA should collaborate with VAs for infrastructure research projects.
- ECSA should provide capacity by providing its database of registered persons who offer specialist engineering skills which are scarce in South Africa.

### 3.2.2 RESEARCH REPORT ON THE INTRODUCTION OF EXAMINATIONS AS A POSSIBLE ECSA REGISTRATION MODEL

This project aimed at investigating the possibility of using examinations as a substitute or stage of the current ECSA registration model. With the Identification of Engineering Work and the potential recognition of TVET qualifications, ECSA expects an increase in applications in the forthcoming years. As a proactive measure, research to identify alternative registration models will be beneficial for accommodating the number of prospective applications.

The research approach considered a literature survey, stakeholder engagement in virtual interviews, a desktop survey, and international benchmarking. The existing ECSA professional registration evaluation model introduced in 2016 was found to be aligned with the international best practice as per the benchmarking research outcomes. However, there is a gap in accommodating candidates living with disabilities.

The overarching recommendation is that the written examination model should be piloted in the qualification evaluation and experience appraisal stage of the assessment. This will be done to evaluate if the candidates can apply fundamental engineering principles and practices, ensuring candidates' competency against the tested outcomes.

The following recommendations have been adopted as the way forward:

- The professional review remains a compulsory oral examination, except for candidates with disabilities, who may be admitted to a written examination or any appropriate examination depending on their disabilities.
- A written examination model be utilised to assess the competency of candidates applying for registration into a specified category over and above their experience and competency standards prescribed under R-02-STA-SC (hybrid evaluation model).
- ECSA introduces written examination as an alternative qualification evaluation tool as guided by E-17-PRO.

The current professional review process, whereby candidates are interviewed to evaluate if they can demonstrate competence against the required outcomes, should remain compulsory until ECSA has invested the necessary resources and tested the written examination models as a primary evaluation model for professional registration.

### 3.2.3 RESEARCH REPORT ON IDENTIFYING ATTRITION IN THE ENGINEERING SKILLS PIPELINE

The engineering skills pipeline comprises four categories: Basic Education, Higher Education, Candidates registration, and Professional Registration. Each section of the pipeline has an input and an output for those capable of engineering qualification, followed by registration as candidates and registered professionals.

This research unpacked the reasons for the limited number of engineers in the country, starting with elucidating the question of the high attrition of engineering students at universities. Through a structured review of existing literature on student non-completion of engineering programmes, the report provided answers and relevant discussion under seven recurrent themes, including academic exclusion, negative academic experience, academic preparedness, accommodation, financial, personal, and student experience.

The study recommended that ECSA, as one of the interested stakeholders in the engineering pipeline and as the profession's regulator, should impact the question by updating the engineering programme accreditation E series documentation. Furthermore, ECSA should consider

revising the quality of teaching and learning accreditation criteria to ensure that institutions consider the themes identified in this study.

#### 3.2.4 RESEARCH REPORT TO IDENTIFY REASONS FOR THE DECLINE IN THE RENEWAL RATE OF REGISTERED PERSONS

Over the years, there has been a decline in ECSA's renewal rate and cancellation among those who are already registered as professionals. This study explored the dimensions linked to the decline in the renewal rate of registered persons in ECSA.

The report combined qualitative interviews and documentary research to propose strategies that ECSA can implement to retain professional registered persons. The research process included a comparison of retention rates with peer councils for registered persons and global benefits, the trends that preclude engineering professionals from renewing their registration status, and an analysis of the data gathered from stakeholders involved in the engineering profession on the main reasons for the decline of renewal rate.

The study contains the attractive strategies that ECSA can adopt from other international peer engineering bodies and those emanating from the responses from the questionnaires used to collect primary data. Some of the major recommendations are as follows:

- In support of the IDoEW campaign, ECSA must partner with the government for legislation review to encourage tax benefits for employers in the engineering sector.
- ECSA must also partner with major employers to support payment for employees' professional fees.
- ECSA must expedite the automation of most registration steps; submission of applications should also be automated to improve the transparency of the process.

#### 3.2.5 KNOWLEDGE MANAGEMENT FRAMEWORK

To survive and prosper in a highly competitive and rapidly changing environment, organisations need to develop sustainable competitive advantages for which Knowledge Management is critical. Knowledge Management is the process of effectively collecting, sharing, maintaining or managing, and deploying organisational knowledge and experience of employees within an organisation.

ECSA has therefore developed the Knowledge Management Framework that encapsulates the process of collecting, storing, sharing, and applying knowledge. The framework provides an understanding of knowledge management benefits, processes, infrastructure, and knowledge barriers within ECSA.

The following themes have been examined in the ECSA Knowledge Management framework:

- Policy statement on Knowledge Management
- Knowledge Management pillars
- Roles and responsibilities in Knowledge Management
- Knowledge gap
- Implementation of Knowledge Management
- Resources required for the implementation and sustainability of Knowledge Management.

#### 3.2.6 A STUDY OF ECSA REGISTRATION STATUS

The registration status study provided an overview of registration trends per category, race and gender, the penetration rate and candidates' perceptions of the ECSA registration process.

The study found a poor conversion rate of engineering skills from graduate to professional registration and from candidate to professional registration. The gazetting of the Identification of Engineering Work (IDoEW) Regulations will impact the imperative for professional registration but will not change what happens during the transition from school to university. Students who achieve qualifying grades for Mathematics and Physical Science in their National Senior Certificate examinations are eligible to enrol in many other qualifications. Given the importance of engineering to the economy's future and, thus, the country, students must be encouraged to pursue careers in engineering right through the pipeline.

Throughout the 2016/17 to 2020/21 period, the study revealed that the registration category for Professional Engineers had the highest representation, followed by Professional Engineering Technologists. However, Candidate Engineers were followed firstly by Candidate Engineering Technicians. Whilst in the specified category, the Lifting Machinery Inspectors registered the highest number of persons, followed by the Lift Inspectors.

During the same period, the representation of males and females in the categories of registrations fluctuated from one financial year to another.

Regarding registration segmentation per race, the study showed the representation of professionally registered Africans increased throughout the period consistently. There was a fluctuation in the representation of Whites, Indians, and Coloureds. Furthermore, the representation of all races of candidates and specified categories fluctuated in the period under consideration.

The report also highlighted that candidates face challenges due to mainly the inability to pay the fees, lack of availability of mentors, and a lack of ECSA's value proposition.



### 3.2.7 GUIDELINES FOR THE INTRODUCTION OF A NEW ENGINEERING DISCIPLINE

This guideline was produced to assist ECSA with the roadmap to be followed when introducing and accepting new engineering disciplines. The methodology prescribed in this guideline will help the research business unit to ensure that all the required information for a new engineering discipline is provided when conducting a feasibility study.

For the new discipline to be considered, it should at least satisfy the following:

- The institution of higher learning should have the Programme Qualification Mix (PQM) and its policy in place. A PQM is a list of approved learning programmes and qualifications that will be subsidised by the Department of Higher Education and Training (DHET). The quality section and senate of the institution usually handle the PQM.
- Registration of private tertiary or higher education institutions lies with DHET for evaluation eligibility for endorsement. ECSA only evaluates programmes for endorsement from institutions that are registered with the DHET.
- If the programme leads to professional registration, ECSA should be brought into the process for endorsement. The process of endorsement outlined in E-PRO-END-001 should at least address registration with the DHET, programme purpose, feasibility/viability, knowledge areas, graduate attribute, admission requirement, curriculum content, staff and infrastructure implications. If not, the discipline should be rejected, and PQM may offer the programme as non-engineering.
- The Council on Higher Education (CHE) should advise the DHET and provide recommendations. The CHE can then institute its comprehensive evaluation against its qualification standards.
- The DHET should provide authorisation. If not, reject and close the process.
- The SAQA should then register the programme on National Qualification Framework (NQF). The complexity level and associated NQF level should be clearly defined for the applicable level descriptor and registration category.
- The ECSA accreditation process can then follow once the programme is being offered; the programme should be subject to accreditation to evaluate if it has met prescribed standards.
- Professional registration is subject to applicants satisfying the education requirement and the competency of the prescribed standards. ECSA then registers applicants as candidates post qualification and professionals when applicants satisfy registration requirements outlined in the policy on registration in professional categories R-01-POL-PC.
- Feasible quantum required for endorsement of the new engineering discipline: An emerging discipline in this context is defined as a discipline appearing as a sub-discipline and/or overlapping sub-discipline (multi-discipline) (e.g., Environmental Engineering in Civil & Chemical Engineering or Process Engineering in Chemical and Industrial Engineering), which is recognised by international benchmarking as a standalone discipline. A base qualification and competency standards must be developed to support any proposed new discipline.
- Should a proposed discipline meet the characteristics of an emerging discipline, a proposal for establishing a base qualification and competency standards is brought forward and recommended to ECSA for endorsement. Endorsement is a confirmation from ECSA to the CHE that the programme has the necessary elements to be considered an engineering programme and has basic engineering elements. The E-03-CRI-P criteria for Accreditation of Engineering Programme come into effect after the institution has received the endorsement for a programme. The institution should follow the process outlined in E-PRO-END-001, Process of Endorsement of Programmes, to be endorsed to offer the programme.
- Feasible quantum required for registrations in various categories: Stakeholders to the proposed discipline must be engaged through a public participation process to which ECSA is a party. The feasibility of the proposed category must be linked to the registration cost of an applicant as incurred by the Registration Business Unit and auxiliary service.
- The registration process for various categories, as described in R-03-PRO-PC, indicates the following process and the numbers of peers involved in the multiple steps:
- In the initial stages, peers may handle an application more than once, which does not comply with R-03-PRO-PC. Therefore, until sufficient practitioners are registered within the category and trained by the Registration Business Unit, engineering professionals registered in other categories with the required in-depth understanding of the fundamentals and practices in the proposed category will be permitted to act.
- Therefore, experienced registered assessors from a pool of assessors who are registered in other disciplines and various categories are identified to assist with building capacity for the new discipline. The overarching document R-01-POL-PC, Policy on Registration in Professional Categories, is very explicit in terms of the process of registration. To attain registration in a

professional category, an applicant must demonstrate that they meet the category's educational requirements and demonstrate competent performance against the prescribed standards (R-02-STA-PE/PT/PCE/PN) for registration in the category.

- Training and mentoring opportunities: The relevant education standard is outlined in Section 7, Schedule 1: Standards applicable to programmes accredited by ECSA, E-03-CRI-P. New disciplines should also follow the same type of programmes to satisfy "Stage 1" of the education requirement for each applicable registration category. The potential mentoring opportunities and work-integrated learning opportunities for candidates requires careful consideration. The pool of peers available to the Registration Business Unit will invariably be limited initially, with the prospect of expanding mentoring and work-integrated learning opportunities. Training and mentoring guide for professional categories R-04-T&M-Guide-PC, for mentoring together with the applicable discipline-specific training guide for candidates (R-05-Series) should be utilised.
- Initial Professional Development and Continuing Professional Development: Initial Professional Development (IPD) and Continuing Professional Development (CPD) as per ECSA requirements and policies.

### 3.2.8 ARTICLES

For the reporting period, six articles were produced. These articles are intended to update stakeholders on any trending or arising engineering issues.

The following articles were produced:

#### **South Africa needs Glass Specialists**

This article's aim was to alert the country about the importance of Glass Specialists. Almost all parts of the National Building Regulations require specialised glass design to reduce unnecessary risk of injury and death and the building's carbon footprint. Glass Specialists use many methods to design glass that fundamentally affects the world's architecture.

#### **The Importance of the Identification of Engineering Work**

Since ECSA has embarked on consultations for the Identification of Engineering Work (IDoEW), it was necessary to write an article to educate the public and the stakeholders about the importance of IDoEW.

The objectives of the IDoEW are to protect the public by:

1. Identifying work for each registration category in a manner that is simple to implement when procuring

services from or employing registered persons in a clear, transparent and accountable manner.

2. Ensuring that persons who undertake the work identified are accountable for the solutions they provide.
3. Protect the environment and the public by ensuring that only registered engineering professionals who have the necessary expertise to perform activities that have the potential to cause significant harm to the public and the environment perform such work.

#### **Emerging Engineering Disciplines Relevant to the South African Economy**

This article on emerging engineering disciplines seeks to inform the public about the research findings on emerging engineering disciplines. The following emerging disciplines have been identified:

- Biomedical engineering
- Maritime engineering
- Nano engineering
- Biosystems engineering
- Control, automation and instrumentation engineering
- Energy systems engineering
- Environmental engineering

#### **Making STEM attractive to today's students**

This article describes the importance of encouraging students to study Science, Technology, Engineering and Mathematics (STEM) to increase the future pool of registered persons by ECSA. It further emphasizes impressing STEM from basic education to higher education.

#### **How the Fourth Industrial Revolution has impacted the engineering profession**

The Fourth Industrial Revolution (4IR) is described as the advent of a world where people move between digital domains and offline reality using connected technology to facilitate and manage their lives, powered by artificial intelligence and other related technologies. This article summarises the views of engineering professionals about the way the 4IR has impacted the engineering world of work.

#### **Why engineering students are dropping out at institutions of higher learning**

This article provides reasons for engineering students' attrition at institutions of higher learning. It also summarises recommendations that will assist ECSA in reviewing its accreditation policy.



### 3.3 POLICY AND STANDARDS INITIATIVES

#### 3.3.1 IDOEWS CONSULTATIONS

In 2021, ECSA gazetted the Identification of Engineering Work rules in accordance with the Engineering Profession Act, Act 46 of 2000. ECSA then embarked on a two-year

consultation process in that period. Figure 36 below shows all the stakeholders that were engaged by ECSA in the last two financial years. The conclusion of the consultations was officially documented in a Road Map report that was tabled to the Research, Policy, and Standards Committee (RPSC).

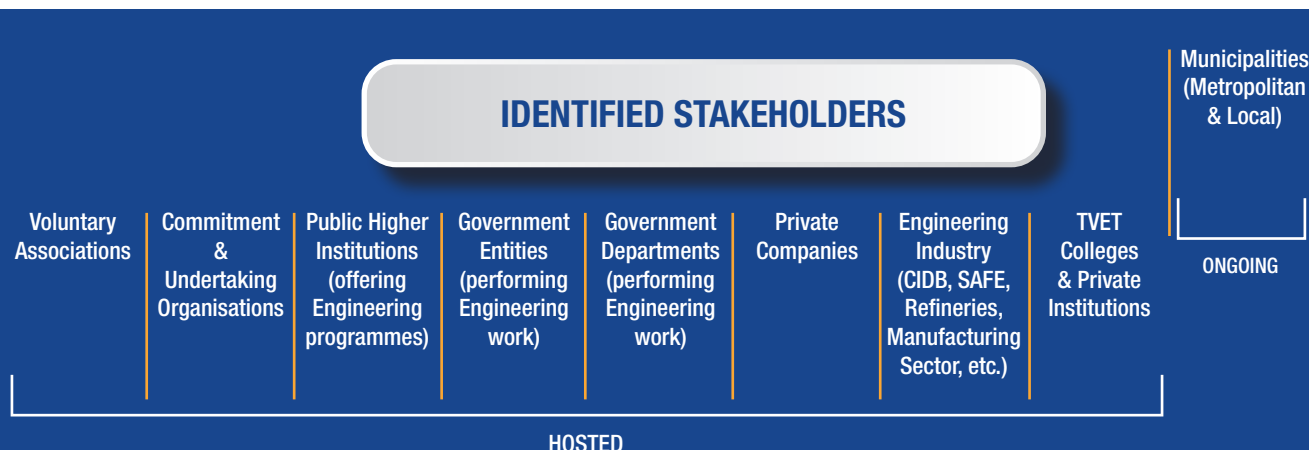


Figure 36: Status of the Identification of Engineering Work Consultations

#### 3.3.2 NEW REGULATORY INSTRUMENTS DEVELOPED

The RPSC developed various regulatory instruments and produced several reports. Figure 37 below shows the list of regulatory instruments or tools and reports that the RPS Division produced during the 2022/2023 financial year.

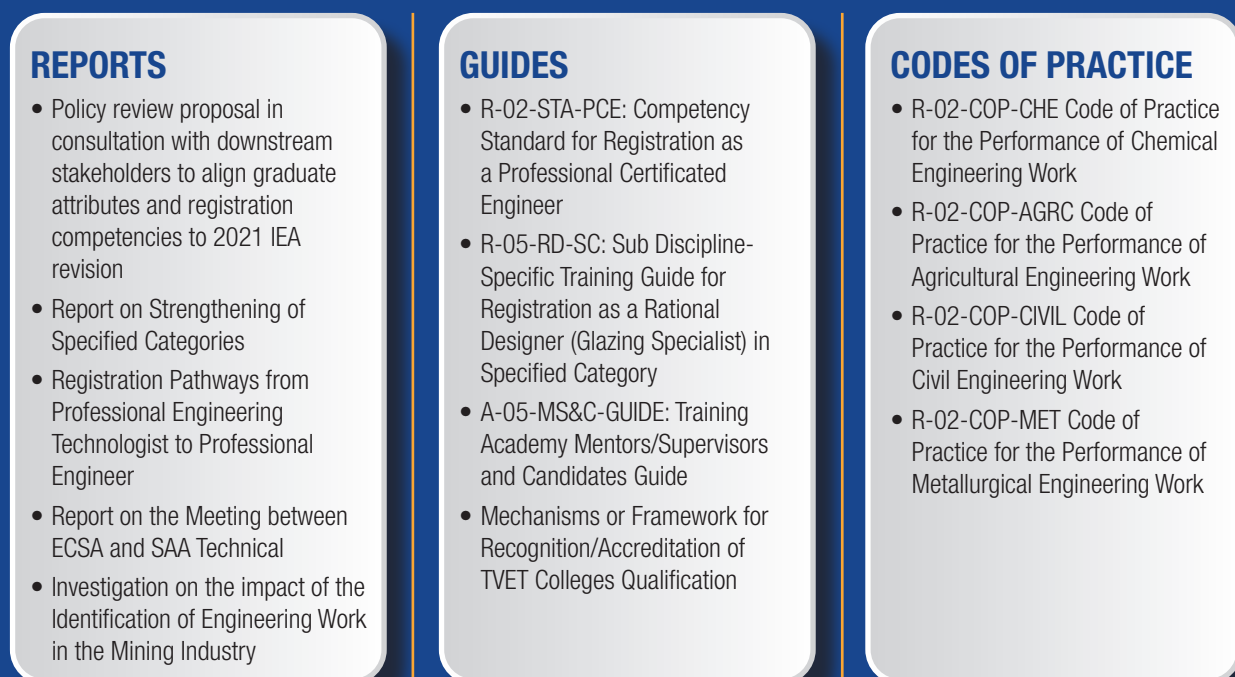


Figure 37: List of regulatory instruments developed

Figure 36 in the next section illustrates a few additional new regulatory instruments developed during the financial year for the effective regulation of the engineering sector and profession.

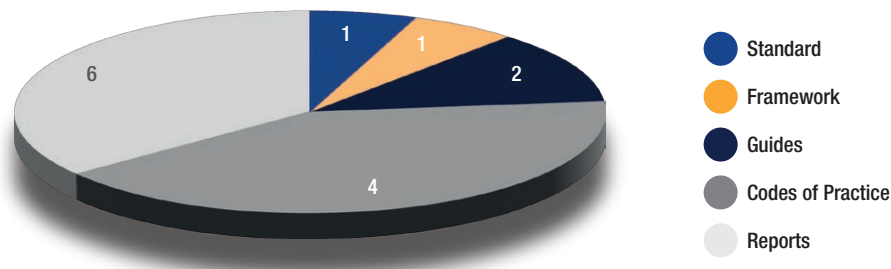


Figure38:Developmentofregulatoryinstruments

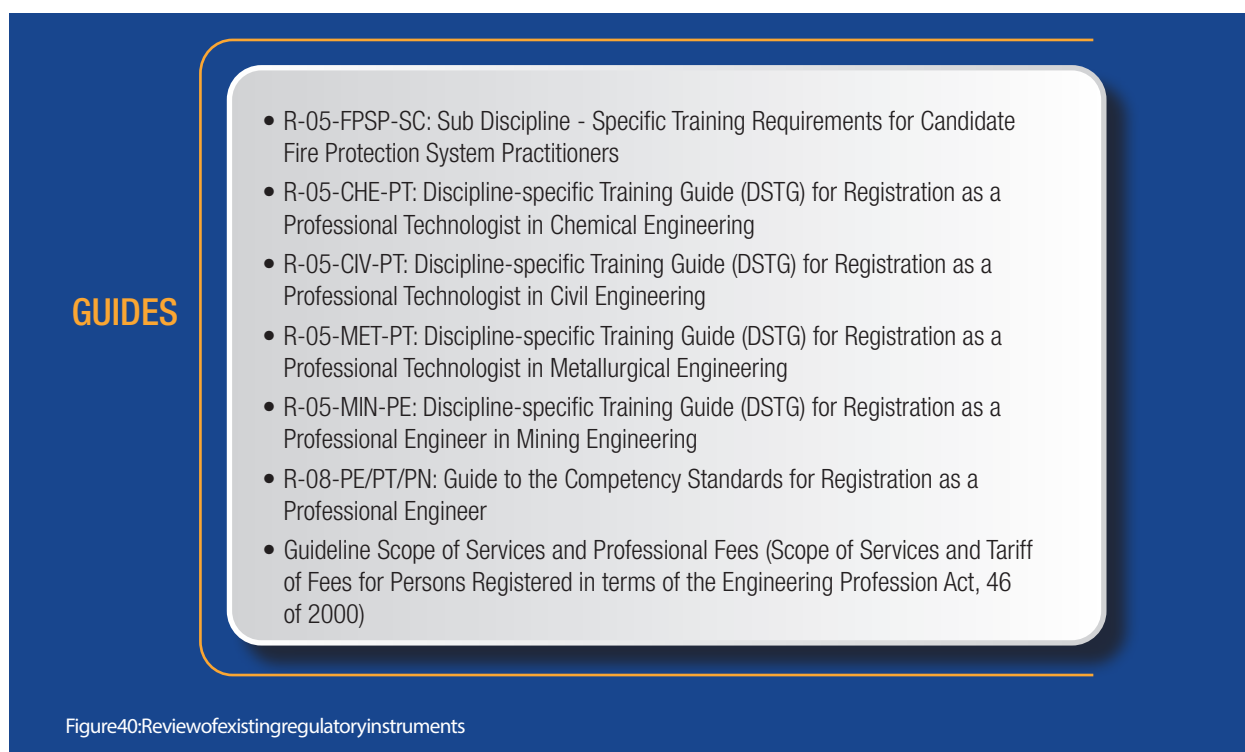
3.3.3 DOCUMENTS REVIEWED

The Engineering Council of South Africa reviews its regulatory instruments in a 4-year circle period. The regulatory instruments that were reviewed in the 2022/2023 financial year are illustrated in Figure 38 and Figure 39 in the next section.



Figure39:Reviewofexistingregulatoryinstruments

The E-17-PRO: Criteria and Processes for Recognition of Educational Qualifications for Professional Categories and E-18-PRO: Criteria and Process for the Assessment of Educational Achievement in Professional Categories Standards and Procedures System were due for review. The two processes were combined into one document referred to as assessment Criteria and Processes for Recognition of Educational Qualifications and Individual Assessment for Professional Categories.



During the review of the three competency guides, R-08-PE: Guide to the Competency Standards for Registration as a Professional Engineer; R-08-PT: Guide to the Competency Standard for Registration as a Professional Engineering Technologist and R-08-PN: Guide to the Competency Standard for Registration as a Professional Engineering Technician were combined into one document that covers all three professional categories of registration. The new document is referred to as R-08-PE/PT/PN: Guide to the Competency Standards for Registration in Professional Categories.

Engineering Council of South Africa has been unrelenting to ensure that the engineering profession is effectively regulated and ensuring that all necessary regulatory tools are researched, developed, reviewed and are up to date. All this has been carried out within the broader parameters of the enabling legislative framework i.e., the Constitution of the Republic of South Africa, 1996, CBE Act of 2000, EPA of 2000 and international standards. It is a mandate which ECSA will continue to pursue with vigour in the year 2023/24.

PART G  
ANNUAL  
FINANCIAL  
STATEMENTS



# GENERAL INFORMATION

**COUNTRY OF INCORPORATION  
AND DOMICILE** South Africa

**NATURE OF BUSINESS AND  
PRINCIPAL ACTIVITIES** Statutory Body

**REGISTERED OFFICE** 1<sup>st</sup> Floor Waterview Corner Building  
2 Ernest Oppenheimer Avenue  
Bruma Lake Office Park  
Johannesburg  
2198

**BANKERS** Standard Bank South Africa

**AUDITORS** Lunika Inc.  
Registered Auditors

GENERAL INFORMATION

PERFORMANCE INFORMATION

GOVERNANCE

HUMAN RESOURCE  
MANAGEMENT

REGULATORY FUNCTIONS

RESEARCH, POLICY  
& STANDARDS

FINANCIAL INFORMATION

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# COUNCIL'S RESPONSIBILITIES

The council is required by the Engineering Professions Act 46 of 2000, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the council to ensure that the annual financial statements fairly present the state of affairs of the ECSA at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The council acknowledges that it is ultimately responsible for the system of internal financial control established by ECSA and place considerable importance on maintaining a strong control environment. To enable the council to meet these responsibilities, the council sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout ECSA and all employees are required to maintain the highest ethical standards in ensuring ECSA's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in ECSA is

on identifying, assessing, managing and monitoring all known forms of risk across ECSA. While operating risk cannot be fully eliminated, ECSA endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The council has reviewed ECSA's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, it is satisfied that ECSA has or has access to adequate resources to continue in operational existence for the foreseeable future.

ECSA is wholly dependent on annual, application and accreditation visit fees for continued funding of operations. The annual financial statements are prepared on the basis that ECSA is a going concern and that ECSA has neither the intention nor the need to liquidate or curtail materially the scale of ECSA.

The external auditors are responsible for independently auditing and reporting on ECSA's annual financial statements. The annual financial statements have been examined by ECSA's external auditors and their report is presented on page 86 to 88.

The annual financial statements set out on pages 91 to 119, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2023 and were signed on its behalf by:



**Ms Buthelezi RSM, Pr. Eng**  
President



**Dr Bridget Ssamula, Pr. Eng**  
Chief Executive Officer

# REPORT OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE

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We are pleased to present the report for the financial year ended 31 March 2023. ARC is a committee of council and it consists of independent and non-executive council members. Its overall objective is to assist the council with its responsibility of ensuring that adequate systems and controls are in place, thus ensuring the safe guarding of assets, assessing the going concern status, reviewing the financial information and overseeing the preparation of the annual financial statements.

The committee also assists the council in fulfilling its responsibilities of risk management by ensuring that management identifies and addresses significant risks impacting on its strategic objectives and the environment within which the council operates.

The committee meets at least four times a year as per its approved terms of reference. Management, internal auditors and external auditors attend these meetings by invitation.

Since this is a governance oversight committee, it does not perform any management functions nor does it assume any management responsibilities. Its role is that of an independent and objective advisor and it operates as an overseer, making recommendations to the council for approval. During this reporting period, 9 meetings were held. The meetings attendance appears on page 28 of the annual report.

## COMMITTEE RESPONSIBILITY

The committee has operated within its terms of reference, and discharged all its responsibilities as contained therein.

## THE EFFECTIVENESS OF INTERNAL CONTROLS

The system of internal controls applied by the council over financial and risk management is effective, efficient and transparent. From the various reports of the internal auditors and the external auditors' independent audit report on the annual financial statements, it was

noted that no significant findings or noncompliance with prescribed policies and procedures has been reported. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

## RISK MANAGEMENT

The council is committed to a process of risk management that is aligned to the principles of good corporate governance. The council has delegated certain aspects of its authority to the ARC committee. In terms of good corporate governance, an organisational strategic risk assessment must be conducted and a plan developed to address the identified risks.

The committee is satisfied with the existing risk management processes which were revised during the year.

## EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The committee has:

- reviewed and discussed with the external auditors the audited annual financial statements to be included in the annual report;
- reviewed the external auditors' management report and management's responses thereto;
- reviewed changes in accounting policies and practices, where applicable, of which there were none;
- reviewed possible significant adjustments resulting from the audit, of which there were none;
- reviewed the information on predetermined objectives as reported in the annual report.

The committee concurs and accepts the external auditors' conclusions on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the external auditors

## INTERNAL AUDIT

The committee is satisfied that the internal audit function is operating effectively and that its internal audit procedures address the risks pertinent to ECSA.

The committee is responsible for ensuring that adequate frameworks and control systems are in place at ECSA to detect fraud and irregularities. The responsibility to detect and prevent irregularities remains with management at an operational level. This is emphasized through continuous sensitisation of operational internal audit functions as well as inclusion of such focus in internal audit processes.

The internal audit function reports fraud, irregularities and ethics violations to operational management. These reports are escalated to the Audit, Risk and Compliance Committee. Such reports include associated remedial actions. The committee has resolved to ensure that the council operates in an open and transparent manner with a view to ensure that information is provided to all within the legal parameters within which the council currently operates.

## EXTERNAL AUDIT

The Audit, Risk and Compliance Committee has met with the external auditors to ensure that there are no unresolved differences. As a supervisory committee, we have been addressing distinct issues by strengthening governance and controls across the organisation, whilst also providing support to the management and staff, and an appropriate degree of oversight of its activities.

## GOING CONCERN

ECSA's improved performance for the year under review together with cash flow forecasts indicate that the entity can, continue in operational existence for the foreseeable future, namely for 12 months after the date of approval of the 2022/23 Annual Financial Statements.

Management has determined that there are no material uncertainties that cast doubt on the entity's ability to continue as a going concern and discussed the above opinion and conclusions with the Audit, Risk and Compliance Committee, the council and the External Auditors. The committee concurs with management views.

## APPRECIATION

I wish to express my appreciation to the members of the Committee for their commitment and support.

I also wish to express our appreciation to the external auditors Lunika Incorporated. Similarly, our gratitude goes to the internal auditors, Mrwebi Auditors and Accountants Incorporated as well as the management and staff of ECSA for their support.



**Mr Mailula MI**

Chairperson of the Audit, Risk and Compliance Committee

Date: 31 July 2023

# INDEPENDENT AUDITOR'S REPORT

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## INDEPENDENT AUDITOR'S REPORT TO COUNCIL OF ENGINEERING COUNCIL OF SOUTH AFRICA

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

1. I have audited the financial statements of Engineering Council of South Africa (ECSA) set out on pages 91 to 119, which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Engineering Council of South Africa as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA GRAP) and the requirements of the Engineering Profession Act.

#### BASIS FOR OPINION

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of this auditor's report.
4. We are independent of the entity in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors (IRBA) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards).
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### EMPHASIS OF MATTER

6. We draw attention to the matter below. Our opinion is not modified in respect of this matter.

#### RESTATEMENT OF CORRESPONDING FIGURES

As disclosed in note 24 to the financial statements, the corresponding figures for 31 March 2022 were restated as a result of adjustments in the financial statements of the public entity at, and for the year ended 31 March 2023.

#### OTHER INFORMATION

7. The Council is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements and my auditor's report thereon.
8. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
9. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

## RESPONSIBILITIES OF THE COUNCIL FOR THE FINANCIAL STATEMENTS

10. The Council is responsible for the preparation and fair presentation of the financial statements in accordance the SA GRAP and the requirements of the Engineering Profession Act and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.
11. In preparing the financial statements, the Council is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.
12. The Council is responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
15. I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## REPORT ON COMPLIANCE WITH LEGISLATION

16. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Council is responsible for the Entity's compliance with legislation. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

## OTHER INFORMATION IN THE ANNUAL REPORT

17. The Council is responsible for the other information. The other information comprises the information included in the annual report, the other information does not include the financial statements.
18. Our opinion on the financial statements and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.
19. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
20. We did not receive the other information prior to the date on this auditor's report. When I do receive and read this information, if we conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## INTERNAL CONTROL DEFICIENCIES

21. We considered internal control relevant to our audit of the financial statements and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.
22. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
23. Management did not implement effective controls to ensure accurate financial reporting which resulted in material adjustments made to the financial statements.
24. Management did not monitor compliance with applicable legislation adequately resulting in the lack of adequate procurement and contract management processes.

## AUDITOR TENURE

25. In terms of the IRBA Rule published in Government Gazette 39475 dated 4 December 2015; I report that Lunika Inc has been appointed as the auditor of Engineering Council of South Africa for 2 years.



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### Lunika Chartered Accountants and Auditors Incorporated

Samkelo Mxunyelwa (CA) SA, RA

Partner

Chartered Accountant (SA) | Registered Auditor

31 July 2023

Unit 5

Lonehill Office Park

Sandton, Johannesburg



# COUNCIL'S

## FIDUCIARY REPORT AND APPROVAL

The council submits its report for the year ended 31 March 2023.

### 1. REVIEW OF ACTIVITIES

#### MAIN BUSINESS AND OPERATIONS

The Engineering Council of South Africa (ECSA) is established in terms of the Engineering Profession Act 46 of 2000. The Act empowers ECSA to perform the following functions, in order to protect the health and safety of citizens and the environment from the risks associated with engineering work:

- Set standards for engineering education and professional competency;
- Accrediting engineering education programmes, offered by public and private providers, that meet with the educational requirements for registration in the various categories;
- Register persons in professional categories who demonstrate competency against the standards for the categories;
- Evaluate educational qualifications that are not already accredited or recognised;
- Register persons who meet educational requirements in candidate categories;
- Establish specified categories of registration to meet specific health and safety licensing requirements and registered persons in these categories;
- Require registered persons to renew registration at intervals and under conditions that the Council prescribes;
- Enter into international agreements for the recognition of educational programmes and registration;
- Develop and maintain a code of conduct, supported where necessary by codes of practice;

- Investigate complaints of improper conduct against registered persons and conduct enquiries and impose sanctions as each case requires;
- Recognise Voluntary Associations;
- Recommend to the Council for the Built Environment (CBE), ECSA's identification of the type of the engineering work which may be performed by persons registered in any category.

### 2. GOING CONCERN

We draw attention to the fact that, during the year under review, ECSA has reported a surplus of R20.11 million which resulted in the increase in accumulated reserves of the organisation from R92.49 million in 2021/22 to R112.60 million in 2022/23.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 3. EVENTS AFTER THE REPORTING DATE

The council is not aware of any matter or circumstances arising, since the end of the financial year to the date of this report, in respect of matters that would require adjustments to the annual financial statements.

### 4. REVENUE

The operations of ECSA are mainly funded by revenue from exchange transactions, being annual fees, application fees and accreditation visits.

## 5. COUNCIL MEMBERS

The council members of the organisation were as follows during the year and to the date of this report:

Ms Buthelezi RSM (President)	Ms Rampersad N
Mr Madikane TC (Vice President)	Ms Theron E
Mr Mailula MI (Chairperson ARC)	Ms Madiba P
Ms Sampson N (Deputy Chairperson ARC)	Ms Sole AO
Ms Skorpen S (Chairperson IC)	Mr Sommer AH
Mr Daniels J (Deputy Chairperson IC)	Ms Ledwaba R
Ms Mthethwa O (Chairperson CRC)*	Mr Smit N
Ms Lesufi R (Deputy Chairperson CRC)	Mr Zimu SN
Prof Nyembwe K (Chairperson EC)	Dr Legoabe RS
Mr Moloisane R (Deputy Chairperson EC)	Prof van Zyl C
Mr Ramagofu T (Chairperson CPDC)	Dr Skeepers N
Mr Nhleko N (Deputy Chairperson CPDC)	Mr Gamedze T
Mr Mkhize S (Chairperson RPSC)	Ms Zweni P
Ms Mtshali A (Deputy Chairperson RPSC)	Adm Mvovo B
Mr Modipa ME (Chairperson F&S)	Ms Sibiyi P
Ms Mutileni S (Vice Chairperson F&S)	Ms Mbola C
Ms Njomane L (Chairperson TADC)	Ms Mwelase T
Ms Mngomezulu S (Deputy Chairperson TADC)	Mr Ojageer K**
Mr Jekwa S	Ms Chili T
Mr Memela T	Mr Keswa S
Mr Ramuhulu M	Ms Tolo S
Ms Mdletshe PP	Ms Smith L
Mr Boshomane L	

\* Resigned - 02 December 2022

\*\* Resigned - 25 April 2022

## 6. SECRETARY

The duties of the council secretariat were fulfilled by the Executive Legal services.

## 7. AUDITORS

Lunika Inc. continued in office as the external auditor.

## 8. LEGAL FORM

ECSA is a statutory body established in terms of the Engineering Profession Act 46 of 2000.

The annual financial statements set out on page 91 to 119, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2023 and were signed on its behalf by:

**Ms Buthelezi RSM, Pr. Eng**  
President

**Dr Bridget Ssamula, Pr. Eng**  
Chief Executive Officer

# STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	NOTES	2023 R	2022 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2	9 080 465	10 470 222
Intangible assets	3	721 565	1 722 181
Investments	4	18 319 018	17 457 652
Retirement benefit asset	5	6 401 040	6 180 000
		<b>34 522 088</b>	<b>35 830 055</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	7	22 929 169	13 569 740
Prepayments	6	1 418 829	1 278 319
Cash and cash equivalents	8	90 904 469	75 256 531
		<b>115 252 467</b>	<b>90 104 590</b>
<b>Total Assets</b>		<b>149 774 555</b>	<b>125 934 645</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	32 873 589	29 699 814
Provisions	9	4 304 001	3 749 298
		<b>37 177 590</b>	<b>33 449 112</b>
<b>Total Liabilities</b>		<b>37 177 590</b>	<b>33 449 112</b>
<b>Net Assets</b>		<b>112 596 965</b>	<b>92 485 533</b>
Accumulated surplus		112 596 965	92 485 533
<b>Total Net Assets</b>		<b>112 596 965</b>	<b>92 485 533</b>

GENERAL INFORMATION

PERFORMANCE INFORMATION

GOVERNANCE

HUMAN RESOURCE  
MANAGEMENT

REGULATORY FUNCTIONS

RESEARCH, POLICY  
& STANDARDS

FINANCIAL INFORMATION

# STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023 R	2022 R
Revenue	11	128 686 136	128 287 741
Other income	12	6 637 659	8 640 574
Operating expenses		(122 058 774)	(134 112 280)
<b>Operating surplus</b>		<b>13 265 021</b>	<b>2 816 035</b>
Investment revenue	13	6 386 450	7 089 626
Fair value adjustments	17	459 961	273 915
Actuarial gains / (losses)		-	(821 000)
Finance costs	15	-	(2 113 000)
<b>Surplus for the year</b>		<b>20 111 432</b>	<b>7 245 576</b>

# STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2023

	Accumulated surplus	Total net assets
	R	R
<b>Balance at 01 April 2021</b>	<b>85 239 957</b>	<b>85 239 957</b>
Changes in net assets		
Surplus for the year	7 245 576	7 245 576
<b>Total changes</b>	<b>7 245 576</b>	<b>7 245 576</b>
<b>Balance at 01 April 2022</b>	<b>92 485 533</b>	<b>92 485 533</b>
Changes in net assets		
Surplus for the year	20 111 432	20 111 432
<b>Total changes</b>	<b>20 111 432</b>	<b>20 111 432</b>
<b>Balance at 31 March 2023</b>	<b>112 596 965</b>	<b>112 596 965</b>

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023 R	2022 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Cash receipts from customers		141 153 949	131 656 110
Interest income		6 386 450	3 710 233
		<b>147 540 399</b>	<b>135 366 343</b>
<b>PAYMENTS</b>			
Cash payments to suppliers and employees		(131 468 287)	(112 784 451)
<b>Net cash flows from operating activities</b>	19	<b>16 072 112</b>	<b>22 581 892</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	2	(359 054)	(3 149 380)
Purchase of intangible assets	3	(65 120)	-
<b>Net cash flows from investing activities</b>		<b>(424 174)</b>	<b>(3 149 380)</b>
Net increase/(decrease) in cash and cash equivalents		15 647 938	19 432 512
Cash and cash equivalents at the beginning of the year		75 256 531	55 824 019
<b>Cash and cash equivalents at the end of the year</b>	8	<b>90 904 469</b>	<b>75 256 531</b>



# STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<b>STATEMENT OF FINANCIAL PERFORMANCE REVENUE</b>						
<b>REVENUE</b>						
Annual fees	100 663 339	12 944 517	113 607 856	112 589 753	(1 018 103)	
Application fees	12 537 222	-	12 537 222	10 965 937	(1 571 285)	27.1
Accreditation visits	5 244 619	-	5 244 619	5 130 447	(114 172)	
Recoveries	4 241 074	-	4 241 074	6 533 942	2 292 868	27.2
Sundry income	-	-	-	103 717	103 717	
Interest received - investment	4 593 161	(129 460)	4 463 701	6 386 450	1 922 749	27.3
<b>Total revenue</b>	<b>127 279 415</b>	<b>12 815 057</b>	<b>140 094 472</b>	<b>141 710 246</b>	<b>1 615 774</b>	
<b>EXPENDITURE</b>						
Personnel	(67 895 458)	-	(67 895 458)	(62 820 780)	5 074 678	27.4
Depreciation and amortisation	(1 800 000)	(1 140 000)	(2 940 000)	(2 814 548)	125 452	
Debt impairment provision	(10 101 334)	(5 985 306)	(16 086 640)	(11 594 660)	4 491 980	27.5
General Expenses	(57 532 039)	33 768	(57 498 271)	(44 828 786)	12 669 485	27.6
<b>Total expenditure</b>	<b>(137 328 831)</b>	<b>(7 091 538)</b>	<b>(144 420 369)</b>	<b>(122 058 774)</b>	<b>22 361 595</b>	
Operating surplus / (deficit)	(10 049 416)	5 723 519	(4 325 897)	19 651 472	23 977 369	
Investment revenue : SIS	-	-	-	459 961	459 961	
investment gains						
<b>Surplus before taxation</b>	<b>(10 049 416)</b>	<b>5 723 519</b>	<b>(4 325 897)</b>	<b>20 111 433</b>	<b>24 437 330</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>(10 049 416)</b>	<b>5 723 519</b>	<b>(4 325 897)</b>	<b>20 111 433</b>	<b>24 437 330</b>	

Please refer to note 27 for explanations on material differences.

# ACCOUNTING POLICIES

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## 1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

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The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Engineering Professions Act 46 of 2000.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

### 1.1 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

### 1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables, held to maturity investments and other receivables

The council assesses its trade receivables, held to maturity investments and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

### POST-RETIREMENT BENEFITS

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The council determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the council considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. The assumptions used are consistent with assumptions used in the statutory valuation. However, GRAP 25 requires the valuation to be carried out on a prescribed market value basis and a number of the assumptions therefore differ from those used in the statutory valuation. Valuation rate of interest – GRAP 25 requires rates to be determined by reference to the current market yield of government bonds. The bulk of the liabilities have a short term, whilst one remaining pensioner has a potentially very long remaining outstanding term. Additional information is disclosed in Note 5.

### ALLOWANCE FOR DOUBTFUL DEBTS

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

## 1.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the council; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight-line	50 years
Furniture and fixtures	Straight-line	10 years
Motor vehicles	Straight-line	5 years
Office equipment	Straight-line	5 years
IT equipment	Straight-line	3 years
Computer servers	Straight-line	6 years
Other property, plant and equipment	Straight-line	10 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the council. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The council assesses at each reporting date whether there is any indication that the council expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the council revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

## 1.4 INTANGIBLE ASSETS

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the council or from other rights and obligations.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication

that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software, internally generated	Straight-line	5 years
Computer software, other	Straight-line	5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

## 1.5 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one council and a financial liability or a residual interest of another council.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Derecognition is the removal of a previously recognised financial asset or financial liability from an council's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an council shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the council shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another council; or
- a contractual right to:
  - receive cash or another financial asset from another council; or
  - exchange financial assets or financial liabilities with another council under conditions that are potentially favourable to the council.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another council; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the council.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an council in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

## CLASSIFICATION

The council has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Trade and other receivables	Financial asset measured at amortised cost
Investments	Financial asset measured at amortised cost

The council has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other payables	Financial liability at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

## 1.6 IMPAIRMENT OF CASH-GENERATING ASSETS

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).



Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

## 1.7 EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

## 1.8 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 22.

### SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

## 1.9 COMMITMENTS

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, after consideration of the following:

- Contracted commitments should be disclosed, i.e. the entity and the supplier must have entered into a contract, at the reporting date and
- the disclosure is not limited to contracts that are non-cancellable or only cancellable at a significant cost to the entity. The commitments disclosed is the portion of the commitment that has not been received and not yet recorded in the financial statements as an accrual or payable.

Contracts which were finalised after the reporting date will not be disclosed as commitments at reporting date. If there were material contracts entered into after reporting date, but before approval of the financial statements, these contracts will be considered in accordance with events after the reporting date and disclosed accordingly.

## 1.10 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service

potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Fee income consists of annual fees, applications fees and accreditations visits.

Professional fees are payable by members who are in the Professional or Registered categories. Fee income is recorded in the financial statements in the period to which it relates.

Candidate fees are payable by members who are not yet qualified Professional or Registered persons.

Application fees are once-off fees payable on submission of an application form. These fees are to compensate for the costs incurred during the evaluation process and are recognised when received.

An exchange transaction is one in which the council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Annual fees, Application fees and Accreditation visit revenue is recognised as revenue from exchange transactions.

## INTEREST

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the council, and
- The amount of the revenue can be measured reliably.

Interest is recognised in surplus or deficit using the effective interest rate method.

## 1.11 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the council either receives value from another council without directly giving approximately equal value in exchange, or gives value to another council without directly receiving approximately equal value in exchange.

### RECOGNITION

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

### MEASUREMENT

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the council.

When, as a result of a non-exchange transaction, the council recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

## 1.12 BUDGET INFORMATION

The council are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by council shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by programmes linked to performance outcome objectives. The approved budget covers the fiscal period from 2022/04/01 to 2023/03/31.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

## 1.13 RELATED PARTIES

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when

the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the council, including those charged with the governance of the council in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the council.

The council discloses transactions related parties not at arm's length or not in the ordinary business.

## 1.14 EVENTS AFTER REPORTING DATE

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The council will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The council will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

## 1.15 RISK AND CAPITAL MANAGEMENT

The council's objectives when managing capital are to safeguard the ECSA's ability to continue as a going concern in order to provide services as enacted by the Engineering Profession Act no 46 of 2000 and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the ECSA consists of debt, which includes the cash and cash equivalents disclosed in note 8, and equity as disclosed in the Statement of Financial Position. All borrowings relating to the purchasing of office space in Waterview Corner, Bruma, have been paid up.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

## FINANCIAL MANAGEMENT RISK MANAGEMENT

The ECSA's activities expose it to a variety of financial risks: market risk (including fair value and interest rate risk), credit risk and liquidity risk. The ECSA's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the ECSA's financial performance. Risk management is carried out by an Audit, Compliance and Risk Committee under policies approved by the council. The council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk and credit risk and investment of excess liquidity.

## LIQUIDITY RISK

Cash flow forecasting is performed by the council. The ECSA's finance division monitors rolling forecasts of the organisations's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The council invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

## INTEREST RATE RISK

As the ECSA has no significant interest-bearing assets, the its's income and operating cash flows are substantially independent of changes in market interest rates.

The council analyses its interest rate exposure on a regular basis. Interest rate fluctuations that could impact on its surplus or deficit are the rates earned on ECSA's short-term investments. It is not foreseen that the actual revenue earned compared to the budgeted revenue will negatively deviate by more than R200,000 per annum. This translates into a possible fluctuation of 0.1% to 0.2% in total revenue.

## CREDIT RISK

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Refer to the information below for credit ratings.

## STANDARD BANK

- National long-term credit rating AA+ (ZAF)
- National short-term credit rating A1+ (ZAF)
- Investec National long-term credit rating AA (ZAF)
- National short-term credit rating A1+ (ZAF)

Trade receivables comprise a widespread customer base, mainly being registered persons. Management evaluates credit risk relating to registered persons on an ongoing basis. The council has to comply with statutory obligations and no choice is exercised on the registered person's ability to pay membership fees.



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## 2. PROPERTY, PLANT AND EQUIPMENT

	2023			2022		
	Cost / Valuation R	Accumulated depreciation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated depreciation and accumulated impairment R	Carrying value R
Buildings	7 691 993	(2 537 042)	5 154 951	7 691 993	(2 383 202)	5 308 791
Furniture and fixtures	2 479 465	(1 833 337)	646 128	2 354 935	(1 718 963)	635 972
Motor vehicles	347 273	(250 036)	97 237	347 273	(187 527)	159 746
Office equipment	1 094 407	(1 034 292)	60 115	1 062 667	(917 903)	144 764
IT equipment	4 968 818	(3 798 345)	1 170 473	4 766 035	(3 044 347)	1 721 688
Computer servers	2 645 252	(2 371 282)	273 970	2 645 252	(2 153 846)	491 406
Other property, plant and equipment	4 501 187	(2 823 596)	1 677 591	4 501 187	(2 493 332)	2 007 855
<b>Total</b>	<b>23 728 395</b>	<b>(14 647 930)</b>	<b>9 080 465</b>	<b>23 369 342</b>	<b>(12 899 120)</b>	<b>10 470 222</b>

### RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2023

	Opening balance R	Additions R	Depreciation R	Total R
Buildings	5 308 791	-	(153 840)	5 154 951
Furniture and fixtures	635 972	124 531	(114 375)	646 128
Motor vehicles	159 746	-	(62 509)	97 237
Office equipment	144 764	31 740	(116 389)	60 115
IT equipment	1 721 688	202 783	(753 998)	1 170 473
Computer servers	491 406	-	(217 436)	273 970
Improvements to property	2 007 855	-	(330 264)	1 677 591
	<b>10 470 222</b>	<b>359 054</b>	<b>(1 748 811)</b>	<b>9 080 465</b>

### RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2022

	Opening balance R	Additions R	Depreciation R	Total R
Buildings	5 462 631	-	(153 840)	5 308 791
Furniture and fixtures	732 538	15 703	(112 269)	635 972
Motor vehicles	222 255	-	(62 509)	159 746
Office equipment	277 779	11 621	(144 636)	144 764
IT equipment	628 980	1 645 299	(552 591)	1 721 688
Computer servers	728 165	-	(236 759)	491 406
Improvements to Property	803 236	1 476 757	(272 138)	2 007 855
	<b>8 855 584</b>	<b>3 149 380</b>	<b>(1 534 742)</b>	<b>10 470 222</b>

### DETAILS OF PROPERTY

Details of land and buildings are available for inspection on request at ECSA's registered offices.

### OTHER INFORMATION

Insignificant groups of old assets have been approved for disposal, the sale will take place in the new financial year.

### 3. INTANGIBLE ASSETS

	2023			2022		
	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R
Computer software, internally generated	5 390 771	(4 847 951)	542 820	5 390 771	(3 930 599)	1 460 172
Computer software, other	833 435	(833 435)	-	833 435	(833 435)	-
Quality system	758 207	(579 462)	178 745	693 087	(431 078)	262 009
<b>Total</b>	<b>6 982 413</b>	<b>(6 260 848)</b>	<b>721 565</b>	<b>6 917 293</b>	<b>(5 195 112)</b>	<b>1 722 181</b>

#### RECONCILIATION OF INTANGIBLE ASSETS - 2023

	Opening balance R	Additions R	Amortisation R	Total R
Computer software, internally generated	1 460 172	-	(917 352)	542 820
Quality system	262 009	65 120	(148 384)	178 745
	<b>1 722 181</b>	<b>65 120</b>	<b>(1 065 736)</b>	<b>721 565</b>

#### RECONCILIATION OF INTANGIBLE ASSETS - 2022

	Opening balance R	Amortisation R	Total R
Computer software, internally generated	2 378 022	(917 850)	1 460 172
Quality system	400 627	(138 618)	262 009
	<b>2 778 649</b>	<b>(1 056 468)</b>	<b>1 722 181</b>

### 4. INVESTMENTS

2023  
R

2022  
R

#### DESIGNATED AT FAIR VALUE

Strategic Investment Services Inflation (SIS) Plus 1-3 investment	18 319 018	17 457 652
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#### NON-CURRENT ASSETS

Strategic Investment Services (SIS) Inflation Plus 1-3 portfolio	18 319 018	17 457 652
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## 5. RETIREMENT BENEFIT ASSET

**2023**
**R**
**2022**
**R**

The amounts recognised in the statement of financial position are as follows:

### CARRYING VALUE

Present value of the benefit	6 401 040	(16 994 000)
Fair value of plan assets	-	23 174 000
	<b>6 401 040</b>	<b>6 180 000</b>

Contributions to the ECSA-owned fund ceased effective 01 September 2013. On 10 December 2013, the Board of Trustees approved the transfer of the pensioner liability in terms of Section 14 of the Pensioner Funds Act. The Section 14 transfer was approved on 6 April 2022 by the Financial Sector Conduct Authority and individual policies were issued to the remaining pensioners. The Fund has no unclaimed members. All active members were transferred out through Section 14 to the Sanlam Umbrella Pension Fund on 10 October 2019. The Fund's assets are currently held in cash invested in the ABSA Call Account, in view of the closure and liquidation of the Fund.

The liquidation was approved by the Financial Sector Authority on 23 November 2022 case number 561356. The appointed liquidator is Lecia Gerber. The Liquidation accounts are still undergoing an audit process, and the completion date has not been confirmed.

The defined benefit liabilities have ceased and the amount remaining in the Fund is the Employer Surplus Account, as a result, no actuarial valuations were carried out.

## 6. PREPAYMENTS

Prepaid expenses	2 976	5 652
Prepaid VAT	1 415 853	1 272 667
	<b>1 418 829</b>	<b>1 278 319</b>

## 7. TRADE AND OTHER RECEIVABLES

Trade debtors	25 294 822	28 882 032
Deposits	3 874 613	141 332
Impairment for bad debts	(10 847 782)	(16 086 640)
VAT receivable	4 607 516	633 016
	<b>22 929 169</b>	<b>13 569 740</b>

Vat receivable has increased due to bad debts of R16m that were written for at year end.

### FAIR VALUE OF TRADE AND OTHER RECEIVABLES

Trade and other receivables	22 929 169	13 569 740
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### TRADE AND OTHER RECEIVABLES IMPAIRED

As of 31 March 2023, trade and other receivables of R 16 825 557 (2022: R 18 016 914) were impaired and provided for.

The amount raised for provision was R10 847 782 as of 31 March 2023 (2022: R 16 086 640).

## 7. TRADE AND OTHER RECEIVABLES (CONTINUED)

2023

R

2022

R

### RECONCILIATION OF PROVISION FOR IMPAIRMENT OF TRADE AND OTHER RECEIVABLES

Opening balance	16 086 640	5 665 328
Provision for impairment raised	10 847 782	16 086 640
Current year provision shortfall	738 917	12 351 586
Amounts written off as uncollectible	(16 825 557)	(18 016 914)
<b>Closing balance</b>	<b>10 847 782</b>	<b>16 086 640</b>

## 8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	100	100
Bank balances	90 904 369	75 256 431
	<b>90 904 469</b>	<b>75 256 531</b>

## 9. PROVISIONS

### RECONCILIATION OF PROVISIONS - 2023

	Opening balance R	Additions R	Utilised during the year R	Total R
Leave pay provision	1 749 298	-	(195 297)	1 554 001
Provision for bonus	2 000 000	2 581 311	(1 981 311)	2 600 000
Other provisions	-	150 000	-	150 000
	<b>3 749 298</b>	<b>2 731 311</b>	<b>(2 176 608)</b>	<b>4 304 001</b>

### RECONCILIATION OF PROVISIONS - 2022

	Opening balance R	Additions R	Total R
Leave pay provision	1 530 626	218 672	1 749 298
Provision for bonus	-	2 000 000	2 000 000
	<b>1 530 626</b>	<b>2 218 672</b>	<b>3 749 298</b>

Entitlement to holiday and shutdown leave is recognised when it accrues to employees. A provision is made for the estimated liability of holiday leave due as a result of services rendered by employees up to the reporting date.

Other provision is for the 2022/23 workmen's compensation.

## 10. TRADE AND OTHER PAYABLES

Trade payables	4 272 528	4 723 665
Payroll liabilities	1 948 974	1 239 023
Trade debtors with credit balances	11 899 520	10 781 149
Accrued expenses	3 768 960	3 107 538
Payment received in advance - application fees	4 195 170	3 373 250
Unallocated receipts - Annual fees	6 788 437	6 475 189
	<b>32 873 589</b>	<b>29 699 814</b>

## 10. TRADE AND OTHER PAYABLES (CONTINUED)

In the previous year, payments received in advance and unallocated annual fees were reported as one balance, in the current year the two have been split as indicated above. Please refer to correction of prior period error (note 24) for more details.

Applicants are required to deposit funds before applications can be considered resulting in payments received in advance.

Unallocated receipts are bank receipts with incorrect or incomplete reference numbers, the receipts could not be allocated to the respective registered person's accounts.

	2023	2022
	R	R
<b>11. REVENUE</b>		
Annual fees	112 589 753	106 744 665
Application fees	10 965 936	11 671 511
Accreditation visits	5 130 447	9 871 565
	<b>128 686 136</b>	<b>128 287 741</b>

The amount included in revenue arising from exchanges of goods or services are as follows:

Annual fees	112 589 753	106 744 665
Application fees	10 965 936	11 671 511
Accreditation visits	5 130 447	9 871 565
	<b>128 686 136</b>	<b>128 287 741</b>

Nature and type of services in-kind are as follows:

Accreditation fees normalised in the current year as there were no travel restrictions, in 2022 ECSA conducted twice as many accreditations due to COVID related backlogs.

## 12. OTHER INCOME

Appeal fees	22 848	89 293
Bad debts recovered	6 533 942	8 326 933
Disciplinary fines	39 130	147 826
Sundry income	41 739	76 522
	<b>6 637 659</b>	<b>8 640 574</b>

Bad debts recovered includes prescribed unallocated receipts.

## 13. INVESTMENT REVENUE

### INTEREST REVENUE

Interest from short term investments	5 605 017	3 090 461
Expected return on Defined Benefit assets	221 040	2 819 000
Interest from long term investments	560 393	1 180 165
	<b>6 386 450</b>	<b>7 089 626</b>

	2023	2022
	R	R
<b>14. PERSONNEL EXPENSES</b>		
Basic salary	55 530 376	54 127 197
Medical aid - company contributions	1 189 277	1 142 244
Unemployment insurance fund	194 336	172 160
Skills development levy	525 646	475 677
Staff insurance	103 536	101 872
Defined contribution plans	4 511 909	3 769 234
Meal allowance	765 700	865 800
	<b>62 820 780</b>	<b>60 654 184</b>

<b>15. FINANCE COSTS</b>		
Other interest: Pension benefit	-	2 113 000

<b>16. GENERAL EXPENSES</b>		
Auditors remuneration	1 371 686	616 177
Bank charges	554 666	605 740
Consulting and professional fees	725 671	674 631
Legal expenses	6 993 300	12 373 855
Insurance	416 512	322 829
IT expenses	6 108 485	5 424 447
Motor vehicle expenses	221 626	44 173
Placement fees	1 240 621	457 867
Printing and stationery	232 550	278 931
Marketing and Branding	1 060 921	1 072 281
Strategic projects	518 236	777 096
Repairs and maintenance	1 280 809	902 136
Staff welfare	863 826	584 527
Subscriptions and membership fees	465 966	434 891
Telephone and fax	371 326	566 064
Staff study assistance	484 074	232 100
Travel - staff	950 048	362 837
Travel - overseas	2 368 396	940 559
Electricity	1 417 797	1 359 306
Outsourced call centre	-	287 459
Office expenditure	855 219	589 027
Investment fees	158 987	168 768
Rental expense	473 059	519 474
Council governance and regulatory expenses	15 057 650	12 035 393
Committee room expenses	31 145	18 924
Parking expenses	33 914	37 165
	<b>44 256 490</b>	<b>41 686 657</b>



	2023	2022
	R	R

## 17. FAIR VALUE ADJUSTMENTS

### OTHER FINANCIAL ASSETS

• Investments (Designated as FV through P&L)	459 961	273 915
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## 18. AUDITORS' REMUNERATION

Fees - External Auditors	383 216	331 142
Fees Internal audit	988 470	285 035
	<b>1 371 686</b>	<b>616 177</b>

## 19. CASH GENERATED FROM OPERATIONS

Surplus	20 111 432	7 245 576
<i>Adjustments for:</i>		
Depreciation and amortisation	2 814 548	2 591 209
Movement in investment	(861 367)	(610 083)
Movements in retirement benefit assets and liabilities	(221 040)	115 000
Movements in provisions	554 703	2 218 672
<i>Changes in working capital:</i>		
Trade and other receivables	(9 359 429)	(2 888 761)
Prepayments	(140 510)	276 869
Trade and other payables	3 173 775	13 675 617
Other liability	-	(42 207)
	<b>16 072 112</b>	<b>22 581 892</b>

## 20. FINANCIAL INSTRUMENTS DISCLOSURE

### CATEGORIES OF FINANCIAL INSTRUMENTS

#### 2023

#### FINANCIAL ASSETS

	At fair value R	At amortised cost R	Total R
Investments	18 319 018	-	18 319 018
Trade and other receivables	-	22 929 169	22 929 169
Other receivables	-	1 418 829	1 418 829
Cash and cash equivalents	-	90 904 469	90 904 469
	<b>18 319 018</b>	<b>115 252 467</b>	<b>133 571 485</b>

#### FINANCIAL LIABILITIES

	At amortised cost R	Total R
Trade and other payables	32 873 589	32 873 589

## 20. FINANCIAL INSTRUMENTS DISCLOSURE (CONTINUED)

2022

### FINANCIAL ASSETS

	At fair value R	At amortised cost R	Total R
Investments	17 457 652	-	17 457 652
Trade and other receivables	-	13 569 740	13 569 740
Other receivables	-	1 278 319	1 278 319
Cash and cash equivalents	-	75 256 531	75 256 531
	<b>17 457 652</b>	<b>90 104 590</b>	<b>107 562 242</b>

### FINANCIAL LIABILITIES

	At amortised cost R	Total R
Trade and other payables	29 699 814	29 699 814

## 21. COMMITMENTS

### AUTHORISED CAPITAL EXPENDITURE

#### NOT YET CONTRACTED FOR AND AUTHORISED BY MEMBERS

• Intangible assets	10 640 378	-
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### TOTAL CAPITAL COMMITMENTS

Not yet contracted for and authorised by members	10 640 378	-
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### AUTHORISED OPERATIONAL EXPENDITURE

#### ALREADY CONTRACTED FOR

• Communication platform	705 225	2 403 411
• External audit	948 601	1 389 300
	<b>1 653 826</b>	<b>3 792 711</b>

### TOTAL OPERATIONAL COMMITMENTS

Already contracted for	<b>1 653 826</b>	<b>3 792 711</b>
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This committed expenditure relates to operational expenditure and will be financed by available retained surpluses, existing cash resources and funds internally generated.

## 22. CONTINGENCIES

The council is aware of pending CCMA matters and has, in consultation with its legal representative assessed the outcome of the matters. The council's legal representative and management consider the likelihood of action against the council being successful as unlikely. The current matters should be resolved in the next two years

## 23. RELATED PARTIES

All related party transactions that occurred during the financial year were in the normal course of business, in accordance with the mandate of ECSA. In the previous year, payments made to council members were not disclosed, please refer to note 24 on correction of prior year errors for details

### RELATED PARTY TRANSACTIONS

#### AMOUNTS INCLUDED IN TRADE AND OTHER PAYABLES REGARDING RELATED PARTIES

	2023 R	2022 R
Council for the Built Environment	1 061 739	641 949

The section 4(S) of the CBE Act payment accruing to the CBE has been netted-off against the annual fees included in revenue from exchange transactions.

#### 2023

#### PAYMENTS TO COUNCIL AND ARC MEMBERS

	Governance R	Peer services & other meetings R	Travel related expenses R	Total R
Buthelezi SRM	52 334	475 694	93 673	621 701
Madikane TC	49 938	215 826	48 773	314 537
Nyembwe K	91 239	242 595	11 549	345 383
Moloiwane RJ	45 005	265 794	2 724	313 523
Modipa ME	85 293	102 524	17 722	205 539
Sole AO	26 874	130 754	4 782	162 410
Ramuhulu M	60 292	95 969	1 205	157 466
Ledwaba R	19 385	148 586	3 394	171 365
Mailula I (ARC)	80 515	25 941	3 753	110 209
Tolo SP	17 672	86 697	11 865	116 234
Lesufi MR	35 290	70 579	1 234	107 103
Madiba RP	32 215	73 367	-	105 582
Njomane L	50 276	37 516	3 242	91 034
Mdletshe PP	30 033	53 045	5 050	88 128
Boshomane LJ	55 914	18 867	6 742	81 523
Ramagofu T	39 170	36 914	1 584	77 668
Van Zyl CAA	28 910	43 499	457	72 866
Mutleni S (ARC)	73 693	6 508	-	80 201
Rampersad N	32 338	33 910	-	66 248
Sampson N (ARC)	59 693	12 465	-	72 158
Daniels JEH (ARC)	45 828	12 465	428	58 721
Keswa S	45 168	9 400	389	54 957
Legoabe R (ARC)	45 324	12 521	1 045	58 890
Skeepers NC	50 612	3 254	-	53 866
Smit BN	33 924	10 821	5 065	49 810
Mthethwa O	6 413	22 876	19 612	48 901
Skorpen SA	27 732	7 431	486	35 649
Jekwa SH	13 016	20 151	-	33 167
Zimu NS	32 290	1 627	573	34 490
Chili TL	30 163	9 012	-	39 175
<b>Sub-total</b>	<b>1 296 549</b>	<b>2 286 608</b>	<b>245 347</b>	<b>3 828 504</b>

## 23. RELATED PARTIES (CONTINUED)

PAYMENTS TO COUNCIL AND ARC MEMBERS (CONTINUED)	Governance R	Peer services & other meetings R	Travel related expenses R	Total R
<b>Sub-total brought forward</b>	<b>1 296 549</b>	<b>2 286 608</b>	<b>245 347</b>	<b>3 828 504</b>
Mkhize S	30 037	9 012	-	39 049
Memela TD	28 536	4 631	-	33 167
Smith L	8 135	1 627	-	9 762
Nhleko NMN	8 310	3 354	-	11 664
Mtshali HA	17 632	23 520	-	41 152
Sommer AH	9 482	-	-	9 482
Mbola (ARC)	4 931	-	-	4 931
Mngomezulu SN	-	4 390	-	4 390
Nqwaba A (ARC)	45 606	-	-	45 606
Rockson J (ARC)	48 790	14 693	1 274	64 757
	<b>1 498 008</b>	<b>2 347 835</b>	<b>246 621</b>	<b>4 092 464</b>

### THE FOLLOWING MEMBERS DID NOT SUBMIT CLAIMS DUE TO THE NATURE OF THEIR EMPLOYMENT:

1. Ojageer K
2. Theron E
3. Gamedze T
4. Zweni P
5. Mvovo BM
6. Sibiya PF
7. Mwelase LT

## 2022

PAYMENTS TO COUNCIL AND ARC MEMBERS	Governance R	Peer services & other meetings R	Travel related expenses R	Total R
Buthlezi SRM	57 606	258 488	27 362	343 456
Madikane TC	75 492	55 040	1 621	132 153
Nyembwe K	104 374	185 808	10 524	300 706
Moloisane RJ	62 023	306 310	-	368 333
Modipa ME	154 354	-	4 240	158 594
Sole AO	41 918	98 026	-	139 944
Ramuhulu M	88 058	-	139	88 197
Ledwaba R	50 544	86 937	567	138 048
Mailula I (ARC)	70 350	-	3 097	73 447
Tolo SP	48 390	49 041	-	97 431
Lesufi MR	49 551	20 655	-	70 206
Madiba RP	28 619	55 551	-	84 170
Njomane L	93 010	-	325	93 335
Mdletshe PP	26 112	9 685	-	35 797
Boshomane LJ	41 442	-	558	42 000
Ramagofu T	45 202	9 002	4 968	59 172
<b>Sub-total</b>	<b>1 037 045</b>	<b>1 134 543</b>	<b>53 401</b>	<b>2 224 989</b>

**2022**
**PAYMENTS TO COUNCIL AND ARC MEMBERS (CONTINUED)**

	Governance R	Peer services & other meetings R	Travel related expenses R	Total R
<b>Sub-total brought forward</b>	<b>1 037 045</b>	<b>1 134 543</b>	<b>53 401</b>	<b>2 224 989</b>
Van Zyl CAA	29 139	49 125	-	78 264
Mutleni S (ARC)	61 859	-	3 935	65 794
Rampersad N	38 828	-	-	38 828
Sampson N (ARC)	49 440	-	-	49 440
Daniels JEH (ARC)	41 920	-	670	42 590
Keswa S	42 399	-	260	42 659
Legoabe R (ARC)	58 449	-	-	58 449
Skeepers NC	35 692	-	-	35 692
Smit BN	25 632	17 553	-	43 185
Mthethwa O	11 744	22 498	-	34 242
Skorpen SA	28 026	-	474	28 500
Jekwa SH	27 069	-	-	27 069
Zimu NS	26 949	-	-	26 949
Chili TL	29 703	-	-	29 703
Mkhize S	51 219	-	-	51 219
Memela TD	40 962	-	-	40 962
Nhleko NMN	18 540	25 854	-	44 394
Mtshali HA	37 484	-	-	37 484
Sommer AH	16 050	23 421	279	39 750
Mbola (ARC)	23 715	-	-	23 715
Mngomezulu SN	13 678	9 522	-	23 200
Lebea ML	28 026	124 431	27 283	179 740
Sibiya P	7 905	-	-	7 905
Nqwaba A (ARC)	33 057	11 496	-	44 553
Rockson J (ARC)	19 404	-	-	19 404
	<b>1 833 934</b>	<b>1 418 443</b>	<b>86 302</b>	<b>3 338 679</b>

**THE FOLLOWING MEMBERS DID NOT SUBMIT CLAIMS DUE TO THE NATURE OF THEIR EMPLOYMENT:**

1. Ojageer K
2. Theron E
3. Gamedze T
4. Zweni P
5. Mvovo BM
6. Mwelase T
7. Sibiya P

No claims were received from Smith L in 2021/22 financial year.

GENERAL INFORMATION

PERFORMANCE INFORMATION

GOVERNANCE

HUMAN RESOURCE  
MANAGEMENT

REGULATORY FUNCTIONS

RESEARCH, POLICY  
& STANDARDS

FINANCIAL INFORMATION

## 23. RELATED PARTIES (CONTINUED)

### REMUNERATION OF MANAGEMENT

MANAGEMENT CLASS: EXECUTIVE MANAGEMENT: 2023	Annual remuneration R	Contributions to retirement plan R	Travel allowance R	Cellphone allowance R	Bonus R	Total R
Chief Executive Officer	1 254 688	120 313	-	10 000	-	1 385 001
Executive: Research Policy and Standards	2 116 640	160 926	72 000	24 000	104 201	2 477 767
Executive: Corporate Services	2 415 844	231 656	-	24 000	200 000	2 871 500
Executive: Legal Services	1 650 802	158 296	-	24 000	42 708	1 875 806
Executive Regulatory Functions	1 238 102	118 722	-	18 000	-	1 374 824

MANAGEMENT CLASS: EXECUTIVE MANAGEMENT: 2022	Annual remuneration R	Contributions to retirement plan R	Travel allowance R	Cellphone allowance R	Bonus R	Termination benefitsR	Total R
Chief Executive Officer	1 912 476	197 497	94 286	18 556	-	122 689	2 345 504
Executive: Research Policy and Standards	1 550 672	151 010	72 000	23 061	100 290	-	1 897 033
Executive: Corporate Services	2 308 179	18 229	-	23 061	169 561	-	2 519 030
Executive: Legal Services	706 382	74 738	-	12 000	-	-	793 120
Executive: Office of the CEO	156 853	-	-	-	93 332	129 306	379 491
	<b>6 634 562</b>	<b>441 474</b>	<b>166 286</b>	<b>76 678</b>	<b>363 183</b>	<b>251 995</b>	<b>7 934 178</b>

## 24. PRIOR PERIOD ERRORS

### TRADE AND OTHER PAYABLES

Unallocated receipts for application and annual fees were reported as suspense account under trade and other payables in the previous year. In the current year the receipts were separated resulting in the disclosure of payments received in advance for application fees and unallocated receipts for annual fees in note 10. In the previous year, a suspense account of R9 848 439 was disclosed, this was replaced with Payments received in advance - application fees of R3 373 250 and Unallocated receipts - annual fees of R6 475 189.

### RELATED PARTIES

In the previous year, payments made to council members were not disclosed in the financial statements, the note has since been included, please refer to note 23 for more details.



## 25. GOING CONCERN

We draw attention to the fact that at 31 March 2023, the entity had an accumulated surplus of R112 596 965 and that the entity's total assets exceed its liabilities by R112 596 965.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## 26. EVENTS AFTER THE REPORTING DATE

The council is not aware of any matter or circumstances arising, since the end of the financial year to the date of this report, in respect of matters that would require adjustments to the annual financial statement

## 27. BUDGET DIFFERENCES

### MATERIAL DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS

#### REVENUE

The total revenue for the period ended 31 March 2023 is R141.15 million compared to the budgeted R140.09 million. The difference is mainly attributable to the following:

#### APPLICATION FEES

27.1 The negative variance of R1.57 million is due to a decreased number of applications processed during the year.

#### BAD DEBTS RECOVERED

27.2 The positive variance of R2.29 million is due to an increased number of restated accounts.

#### INTEREST RECEIVED

27.3 The positive variance of R1.36 million is due increased cash reserves, resulting in returns from investments.

#### EXPENDITURE

The total expenditure for the period ended 31 March 2023 is R122.05 million compared to the budgeted R144.42 million. The difference is mainly attributable to the following:

#### PERSONNEL EXPENDITURE

27.4 The positive variance of R5.07 million is due to a number of vacancies that were not filled or were filled later than anticipated time.

#### GENERAL EXPENDITURE

27.5 Savings were realised under council regulatory activities and contact centre line items. Unspent funds were recognised under strategic projects and corporate affairs line items, activities will be implemented in the 2023/24 financial year.

# DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	NOTES	2023 R	2022 R
<b>REVENUE</b>			
Annual fees		112 589 753	106 744 665
Application fees		10 965 936	11 671 511
Accreditation visits		5 130 447	9 871 565
Appeal fees		22 848	89 293
Bad debts recovered		6 533 942	8 326 933
Disciplinary fines		39 130	147 826
Sundry income		41 739	76 522
Interest received - investment	13	6 386 450	7 089 626
Fair value adjustments		459 961	273 915
<b>Total Operating revenue</b>		<b>142 170 206</b>	<b>144 291 856</b>
<b>EXPENDITURE</b>			
Employee and staff related costs	14	(62 820 780)	(60 654 184)
Depreciation and amortisation		(2 814 548)	(2 591 209)
Finance costs	15	-	(2 113 000)
Lease rentals on operating lease		(572 296)	(742 004)
Debt Impairment		(11 594 660)	(28 438 226)
Actuarial losses		-	(821 000)
General Expenses	16	(44 256 490)	(41 686 657)
<b>Total expenditure</b>		<b>(122 058 774)</b>	<b>(137 046 280)</b>
<b>Surplus for the year</b>		<b>20 111 432</b>	<b>7 245 576</b>

The supplementary information presented does not form part of the annual financial statements and is unaudited.



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