ECSA
ENGINEERING COUNCIL OF SOUTH AFRICA

2024/25

ANNUAL *REPORT*

Renewal for Growth

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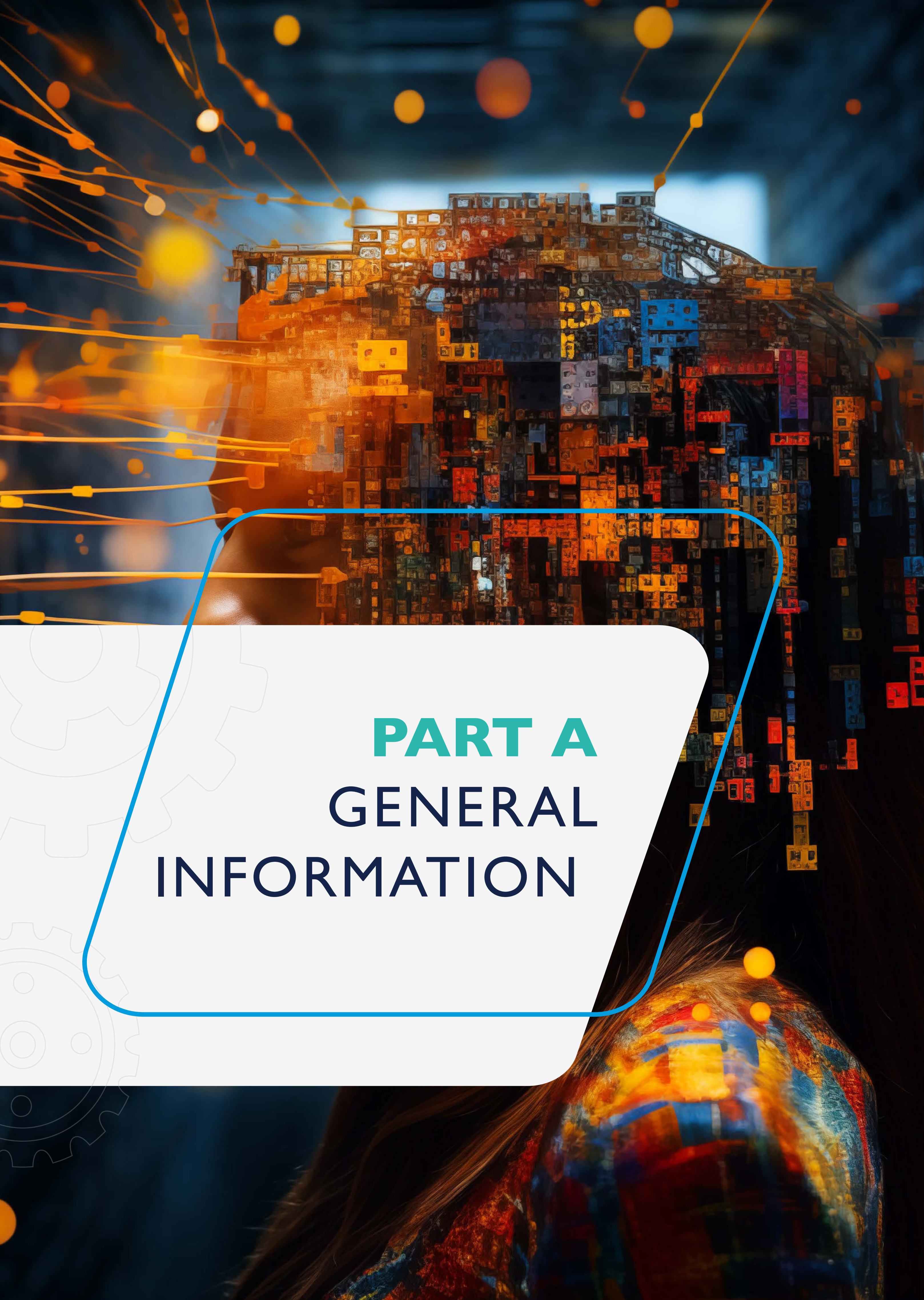

PART A
GENERAL INFORMATION

1. GENERAL INFORMATION

REGISTERED NAME:	Engineering Council of South Africa
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BANKERS:	Standard Bank East Gate Bedfordview
COMPANY/BOARD SECRETARY:	Council Secretariat Division performs the secretarial duties.

2. LIST OF ACRONYMS

4IR	Fourth Industrial Revolution
AeSSA	Aeronautical Society of South Africa
ATC	Accreditation and Training Committee
ARC	Audit Risk and Compliance Committee
AFS	Annual Financial Statement
AIET	Agreement for International Engineering Technicians
AMEU	Association of Municipal Electricity Utilities
AoPO	Audited Pre- determined Objectives
CAC	Combined Assurance Committee
CCSA	Competition Commission of south Africa
CESA	Consulting Engineers South Africa
CSA	Control Self-Assessment
CBE	Council for the Built Environment
CCSA	Competition Commission of South Africa
CHE	Council for Higher Education
COET	Chamber of Engineering Technology
CPD	Continuous Professional Development
COSO	Committee of Sponsoring Organisations
CRM	Customer Relationship Management
DaVinci	The DaVinci Institute for Technology Management
DPWI	Department of Public Works and Infrastructure
DHET	Department of Higher Education and Training
DSTGs	Discipline Specific Training Guides
ECSA	Engineering Council of South Africa
EAPASA	Environmental Assessment Practitioners Association of South Africa
EPA	Engineering Professions Act
ERM	Enterprise Risk Management Framework
ESGB	Engineering Standards Generating Body
EE	Employment Equity
ELP	Engineering League of Progress
EMCO	Executive Management Committee
ERA	Ethics Risk Assessment
ERM	Enterprise Risk Management
FAEO	Federation of African Engineering Organisations
GRAP	Generally Recognised Accounting Practice
HEI	Higher Education Institutions
HPCSA	Health Professions Council of South Africa
IC	Investigating Committee
ICT	Information Communication Technology
IEA	International Engineering Alliance
ICMEESA	The Institution of Certificated Mechanical and Electrical Engineers, South Africa
IEEE SA	Institute of Electrical and Electronics Engineers South African Section
IESSA	Illumination Engineering Society of South Africa
IETA	International Professional Technologists Agreements
IIA	Institute of Internal Auditors
INCOSE	International Council on Systems Engineering
IPEA	International Professional Engineers Agreement
IPPF	International Professional Practice Framework
IWMSA	Institute of Waste Management of Southern Africa
IWH	Institute for Work at Height
LEESA	Lifting Equipment Engineering Association of South Africa
MoU	Memoranda of Understanding
ManCo	Management Committee
MRA	Mutual Recognition Agreements
Nom Com	Nomination Committee
OHS	Occupational Health and Safety
PGF	Professional Guideline Fees
QMS	Quality Management Systems
RPS	Research Policy and Standards
RPSC	Research Policy and Standards Committee
RC	Registration Committee
RISD	Regional Indicative Strategic Development Plan
SAFEO	Southern African Federation of Engineering Organisations
SADC	The Southern African Development Community
SAQA	South African Qualifications Authority
SERC	Social Ethics and Remuneration Committee
SPs	Service Providers
STEM	Science, Technology, Engineering and Mathematics
SABI	South African Institute of Irrigation
SAFHE	South African Federation of Healthcare Engineering
SAICE	South African Institution of Civil Engineers
SARF	South African Road Federation
SOCSAT	The Society for Asphalt Technology
SOEs	State Owned Enterprises
STC	Standing Technical Committee
TUT	Tshwane University of Technology
TA	Training Academies
WISA	Water Institute of Southern Africa
WITBE	Women in the Built Environment
WFEO	World Federation of Engineering Organisations

3. PRESIDENTS` FOREWORD

Warm greetings from the Seventh Term Governing Council of the Engineering Council of South Africa (ECSA). It is with tremendous honour that I present this annual report as an account of the activities of ECSA for the 2024/25 financial year. This report is especially significant, as it coincides with the conclusion of the Sixth Term Governing Council's mandate and the beginning of my tenure as President. The transition to the Seventh Term Governing Council marks not only a change in leadership but also a pivotal moment of institutional maturity and strategic continuity. This foreword discusses ECSA's journey, the reforms it has driven, and the progress it has made in fulfilling its mandate to protect the public through effective regulation of the engineering profession.

Mr TC Madikane, Pr Eng

President, Seventh Term Governing Council

High-Level Overview

ECSA is governed by the Engineering Profession Act (EPA) 46 of 2000. The EPA focuses on engineering as a profession to serve the interests of the engineering fraternity. Moreover, it positions ECSA as a regulatory body with a statutory mandate focused on public interest and safety and a range of functions and powers that centre on the engineering profession. To this end, ECSA is poised to contribute significantly to the growth and development of the engineering profession, albeit in an environment characterised by internal and external factors.

Once again, ECSA fulfilled its commitments, leading the organisation towards sustained positive performance and growth. In the financial year under review, the organisation has achieved 91% organisational performance; this is an improvement from 81% in the previous financial year. This improvement can be attributed to the enhancement of the organisation’s systems, processes and capacity building for people, a principle enshrined in the 2023-2025 Strategic Plan.

We have also achieved an unqualified audit outcome, affirming our sound financial and internal control environment. Importantly, we also stabilised ECSA’s financial position while maintaining investment in key transformation and capital projects.

Strategic Relationships

During this period, ECSA continued to strengthen its strategic relationships. The Voluntary Assosiations President’s Forum and Deans Forum proved to be vital platforms for engagement with Voluntary Associations and higher education institutions. These forums played a central role in aligning academic and professional standards, shaping dialogue on transformation, and supporting policy development around the Identification of Engineering Work (IDoEW). Through these engagements, we ensured greater sectoral coherence and built collaborative momentum for reform.

We also introduced inaugural initiatives that reflect our commitment to transformation and leadership development.

We designed the Women in Engineering programme to foster inclusion, mentorship, and support for women in the profession. At the same time, the Future Leaders Program focusses on identifying and nurturing emerging engineering professionals under 35. These initiatives represent ECSA’s long-term investment in a more representative and resilient profession.

On the international front, ECSA strengthened its role in global and continental platforms. We maintained active participation in the International Engineering Alliance (IEA), the World Federation of Engineering Organisations (WFEO), and the Federation of African Engineering Organisations (FAEO). South Africa’s leadership within these platforms has grown significantly. I am proud to note that ECSA’s Immediate Past President has assumed the presidency of FAEO and that two of the Seventh Term Governing Council Members serve at IEA Governing Group. It should be noted that South Africa will host the IEA meetings in Cape Town in June 2026. These developments elevate South Africa’s engineering voice and reinforce our commitment to regional and international collaboration, enhance professional recognition, and foster inclusive growth.

Strategic Focus Over the Medium to Long-Term

Looking ahead, the Seventh Term Governing Council inherits an institution that is more stable, strategically focused, and better equipped to fulfil its statutory mandate. The foundation has been laid for more profound transformation, greater operational efficiency, and more robust engagement with both the public and private sectors.

In the medium term, full implementation of the Identification of Engineering Work remains a priority. During this period, national consultations were held, and a comprehensive enforcement framework was developed. These efforts must now be translated into enforceable standards that support public safety, enhance professional recognition, and foster inclusive growth.

Furthermore, converting Candidates into Professional registration is a collective project for all the stakeholders, including the Voluntary Associations. As part of the legacy of the Seventh Term Council, it would be critical that we work tirelessly to increase the conversion rate.

The review of the Engineering Profession Act No. 46 of 2000 remains one of the key strategic initiatives to be handled by the Seventh Term Council, working with the Department of Public Works and Infrastructure and the Council for the Built Environment. A third strategic focus is to vigorously work on the additional sources of revenue.

ECSA's digital transformation journey is also set to continue. The subsequent phases of business process automation, data integration, and service digitisation will be crucial for meeting the expectations of an increasingly digital society and a rapidly evolving profession. Furthermore, transformation must remain at the heart of our strategy. The recent approval of new specified categories, particularly in emerging and high-risk disciplines, is a step forward in ensuring relevance, access, and public protection.

Acknowledgements

The progress recorded during this term would not have been possible without the commitment and support of many individuals and partners. I want to thank the Immediate Past President, Ms Refilwe Buthelezi, and the Sixth Term Governing Council members, who generously offered their time, insight, and leadership. Your governance has been instrumental in achieving the progress outlined in this report

To the CEO, Dr Bridget Ssamula, and the executive management team, I express my appreciation for your professionalism, resilience, and unwavering focus on ECSA's mission. Your leadership in driving operational reforms and managing stakeholder relationships has been commendable. I also thank all ECSA staff for their dedication and adaptability during this period of change.

To our stakeholders across the engineering fraternity, including government, regulators, academic institutions, Voluntary Associations, and registered professionals, I offer my sincere gratitude. Your engagement and collaboration have strengthened the credibility of our work and enriched the outcomes we have achieved.

Conclusion

I hereby endorse the 2024/2025 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 profession and society.

Mr TC Madikane, Pr Eng FSAIEE FSAAE
President, Seventh Term Governing Council

4. CHIEF EXECUTIVES` OVERVIEW

It gives me immense pleasure to present the 2024/2025 Annual Report of the Engineering Council of South Africa (ECSA). The 2024/2025 fiscal year marked an important turn forward in ECSA`s journey towards the end of the renewal and growth strategy which sought to create the building blocks for achieving regulatory excellence, digital innovation, and business transformation. In line with the 2023-2025 Strategy, ECSA implemented targeted actions to strengthen its governance framework, promote professionalism, and enhance operational delivery. This overview provides an account of ECSA`s progress and achievements over the past year.

Dr Bridget Ssamula, Pr Eng
Chief Executive Officer

Organisational Performance

The Engineering Council of South Africa has showcased improvements in its perfomance year on year. For the current period, the organisational performance accumulated to 91%; this is an improvement from 81% in the previous financial year, and 64% was achieved in 2022/2023 when the balance scorecard was introduced to measure organisational performance.

For the reporting period ECSA embarked on the Business Process Re-engineering (BPR) project, aimed at analysing, redesigning, and optimising existing business processes to enhance efficiency, effectiveness, and strategic alignment. This initiative was vital for modernising operations and aligning them with organisational objectives. The project was completed within the reporting period with recommendations set for implementation in the new financial year.

Several processes managed by ECSA have been manual, outdated, inefficient, and pose risks to its operations and systems: whilst frustrating its stakeholders. To mitigate against the risks ECSA has begun the digitisation journey of restructuring internal systems and deployed the modernised Customer Relationship Management (CRM) platform, focusing on two core functions, namely the Registration and Continued Professional Development modules. The modules allow for improved digitalised application processes for candidate and professional registration; the introduction of digital workflows for virtual panel members; and digitalised CPD processes, including the recording of CPD activities, the generation and tracking of CPD cycles, and the online submission and status tracking for exemption applications.

Phase 2 of the renovation project will carry on into the 2025/2026 fiscal year to enhance the experience for both internal and external users, enabling better systems that automate business tasks and provide useful data insights, improve data accuracy, ensure responsibility and oversight, support from leadership, and enhance how stakeholders interact with ECSA systems.

Regulate and Ensure Professional Service Standards, Conduct, and Practice

For this reporting period, ECSA developed and revised critical regulatory instruments to maintain its commitment to cooperative governance and responsiveness to the needs of stakeholders within the engineering profession and the broader public interest.To this end, the following regulatory instruments were developed and revised for the accounting period:

- IDoEW enforcement rules
- Revised Rules of Conduct for Registered Persons
- Rules for the management of enforcement matters,
- Rules for the management of improper conduct,
- Rules for the management of Appeals Conduct for Registered Persons
- The Service Charters for Enforcement, Improper Conduct, and Appeals and
- The Standard Operating Procedures (SOPs) for each of the regulatory functions
- Rules on cancellation of registration and renewals

The Engineering Council of South Africa achieved a major milestone by resuming the gazetting of tribunal outcomes, a mandate in the EPA, ECSA had not embarked on this since 2017. This milestone improves transparency for the fraternity by informing the public about the actions taken against registered individuals for improper conduct. This also acts as a deterrent, discouraging other Registered Persons from engaging in similar misconduct.

The second win was ECSA reaching an agreement with the Competition Commission of South Africa (CCSA) to resume the publishing of the Professional Guideline Fees (PGF). This agreement marks a pivotal step in fulfilling the ECSA mandate as outlined in section 34 of the Engineering Profession Act. These achievements reflect the tireless work of ECSA in the execution of its legislated mandate and commitment to advancing the engineering profession through collaborative governance and stakeholder engagement.

In the process of enacting the Identification of Engineering Work Rules, ECSA embarked on a nationwide roadshow supplementing previous sector engagements, to meaningfully engage stakeholders on the gazetted Identification of Engineering Work Rules and derive their input. For the reporting period, over 60 stakeholders were engaged on IDoEW, ranging from public and private entities to higher education institutions, national, provincial and local government departments, employers of engineering practitioners, etc. Furthermore, the draft enforcement rules that will be used by ECSA were also drafted and sector engagements kicked off with the aim to derive input from the sector.

Combined Assurance

The Audit Risk and Compliance Committee for ECSA adopted a formal Combined Assurance model, featuring four lines of assurance. During the period, the ARC Committee embraced the Combined Assurance process, focussing on enhancing the risk management process and internal controls. The anticipated benefits include improved efficiency in people, processes, and systems, reduced duplication of effort, and enhanced integrity of financial and non-financial reports to stakeholders.

The Governing Council, through the ARC Committee, was responsible for the governance of risk, while management remained responsible for risk management.

An Ethics and Compliance Business Unit was established and resources to facilitate the effective management of conflict for employees were provided. An ethics survey was conducted, and the responses informed the ethics risk assessment, as guided by the Ethics Institute Governance of Ethics and the Ethics Management process. An ethics risk profile was established, and all these inputs informed the three-year Ethics Strategy approved by Social Ethics and Remuneration Committee to assist in the journey of improving the ethical culture.

The Registration Database Has Undergone Significant Growth and Transformation

With specific times set for applying to professional categories, an ongoing opportunity for candidates to apply, requests for compliance plans from the community, and discussions with stakeholders about identifying Engineering Work, ECSA has seen an 8.74% increase in the number of Registered Persons in the database, rising from 50,588 last year to 55,009 this fiscal year.

The following factors explain the growth in candidate and professional registrations:

- 14.39% growth in new candidate registrations from 3147 in 2023/2024 to 3600 new registrations in 2024/2025
- 39.82% growth in professional registrations from 869 in 2023/2024 to 1215 new registrations in 2024/2025.

The increase in the database also highlights the transformation of the database with a clear indication of the improvement of broader representation from a gender and race perspective.

In comparison to the previous financial year, ECSA has seen a 30.31% increase in the number of Africans in the database, 19.33% in the number of coloured people, and 12.14% and 6.63% increases for Indians and Asians, respectively.

The number of female engineering practitioners on the ECSA database has also seen progress; by the close of the 2023/2024 fiscal year, women accounted for 15.82% of the database. This figure rose to 18.66% by the end of 2024/25, indicating meaningful strides toward greater gender inclusivity. The increase in the registration database can also be attributed to the stakeholder engagements on IDoEW and increased sector engagement.

To continue on this growth trajectory, ECSA signed seven (7) new memoranda of understanding towards the Training Academies initiative, bringing the total number of MoUs signed between potential training academies and ECSA to fourteen (14). If this initiative grows exponentially, it will bring significant benefits to expanding the formalisation of the engineering candidacy pipeline and professionalising the engineering sector, thereby alleviating the scarcity and critical skills shortage in the country.

International Relations

During the reporting period, ECSA renewed mentorship agreements with Zambia, Botswana, and Mauritius.

The agreements fall under ECSA's capacity-building initiative to enable other African countries to become full members of the IEA for the constituent Accords and Competency Agreements.

In June 2024, at the International Engineering Alliance Meetings, the Institution of Engineers Mauritius (IEM) Engineering Accreditation Board (EAB) was accepted as a provisional signatory to the Washington Accord of the IEA. This was achieved through the stewardship of Prof. Brandon Collier-Reed as a lead mentor who was entrusted to, among others, strengthen integration and accreditation of engineering programmes, align CPD systems, develop mentors/assessors and acknowledge exchange in the engineering profession.

Stakeholder Engagement and Advocacy

One of the key pillars of the 2023-2025 ECSA Strategic Plan was improved stakeholder engagement to enhance stakeholder involvement and trust and improve the visibility of the ECSA brand.

To this end, a Stakeholder Engagement Framework was developed and approved during this reporting period. The framework was informed by insights gathered through a survey of ECSA stakeholders on their engagement needs and preferences.

During this reporting period, twenty-three (23) meetings with stakeholders took place, which included workshops for engineering employers, universities, and practicing engineers who are not registered with ECSA, as well as displays at various events like the Mining Indaba, Africa Energy Indaba, IMESA annual conference, VUT STEMI Seminar, Climate Change Indaba, and the General and Technical Skills mini Festival at the Katlehong School of Science.

The Engineering Council of South Africa became intentional with its school engagements in an effort to build awareness and increase the uptake of Science, Technology, Engineering and Mathematics (STEM) by learners at school. To this end, a Memorandum of Understanding (MoU) with the Marketplace Academy was signed and brought together ECSA and the Nelson Mandela University, as well as Deloitte, to launch the Professional Skills Development & Capacitation Project, where thirty (30) senior phase mathematics teachers received training on enhancing teaching methods as well as bridging essential content gaps using modern and effective tools and devices. Additionally, within the reporting period, the partnership hosted its maiden Gauteng STEAM Educators Seminar, attended by more than 200 teachers in the province and academia, as well as key stakeholders within the education and STEAM industries, to empower teachers with effective strategies and innovative tools for teaching and learning in the STEAM field.

Addressing Systemic Issues Raised In the Audit Report

ECSA received an unqualified report with material findings. Management is embarking on a root cause analysis of the matters so that the corrective actions will be addressed as per the table below:

Table 1: **Addressing systemic Issues raised in the audit report**

Items	Root cause analysis	Corrective actions
Financial misstatements	Combination of manual and digital processes for reconciliation	ERP system project underway in FY26/27
Financial misstatements	Outdated or inadequate ICT polices	ICT policies drafted in FY24/25 to be approved by the Council in Q2
Supply chain oversight processes	Internal controls and SOPs not strictly adhered to by contract owners	To-Be SOP's developed in FY24/25 to include internal controls. ERP system implementation in FY25/26 to prioritise procurement

Acknowledgement and Appreciation

Over the past three years, the implementation of the 2023-2025 ECSA Strategic Plan has presented numerous challenges. The renewal process required ECSA to embrace the change and allow itself to learn and re-learn to ensure that at the heart of its operation and fulfilment of its mandate is the stakeholder.

I would therefore like to acknowledge and extend my appreciation to the Registered Persons for your support, patience and cooperation as we transition, as well as your overall commitment to supporting the mandate of ECSA. The Voluntary Associations deserve recognition for their efforts to encourage registration with ECSA, their valuable contributions, and their willingness to lend their support to ECSA's programmes and projects.

To every stakeholder from the higher education institutions, the Council on Higher Education, the South African Qualifications Authority, the law enforcement agencies, employers of engineering practitioners, the peer review members who assist ECSA with its work, and all the stakeholders we have partnered with, thank you.

To the Sixth Term Governing Council, Council for Build Environment (CBE), Sister Councils in the Built Environment and Department of Public Works and Infrastructure (DPWI) thank you for steering the ship with integrity and for the oversight guidance provided.

Last but definitely not least, I express my heartfelt appreciation to each member of the executive team for their leadership and ECSA staff members for their dedication, teamwork, and contributions to the repositioning and growth of ECSA.

Conclusion

The 2024/2025 financial year delivered tangible results that position ECSA for long-term success. Through the disciplined execution of its strategic plan, ECSA strengthened its internal capacity, transformed core regulatory functions, and enhanced public confidence in the engineering profession. As the Seventh Term Council begins its mandate, it inherits a more agile, credible, and future-ready organisation.

Dr BCB Ssamula, Pr Eng
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 are 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 the National Treasury.

The Annual Financial Statements (Part E) 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 Capital information, and the Annual Financial Statements.

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

The Annual Report fairly reflects the operations, performance information, Human Capital information, and financial affairs of the entity for the fiscal year ended 31 March 2025.

6. STRATEGIC OVERVIEW

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

Vision

- A thriving and representative engineering profession that is respected globally.

Mission

ECSA seeks to achieve this vision by:

- Assuring engineering excellence in the public interest through effective regulation.

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.

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, progressively extending 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.

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. Moreover it, established ECSA in its present form and gave professional status to Engineering Technologists, Engineering Technicians, and Certificated Engineers.

ECSA was established as a regulatory body for the engineering profession because it has 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 effectively managed by competent engineering 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 the 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 CBE.

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

ECSA executes its mandate from the EPA, while also 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
- All other (relevant/applicable) Human Resources and Industrial Relations Acts
- 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
- Acts, Policies and Regulatory Frameworks that govern the Engineering Fraternity.

8. ORGANISATIONAL EXECUTIVE STRUCTURE

Figure 1: Organisational Structure

PART B
PERFORMANCE INFORMATION

PERFORMANCE INFORMATION

1. STRATEGIC OBJECTIVES

For the past two financial years, the Engineering Council of South Africa prioritise the twenty (20) strategic objectives outlined in the revised 2023-2025 Strategic Plan. The key performance indicators for the fiscal year 2024-2025 were designed specifically to target and align to the strategic goals prioritise by ECSA for the execution of the Strategic Plan.

The tables below account for the organisational performance achieved for the 2024/2025 fiscal year.

Table 2: 2023-2025 Strategic Objectives

2023-2025 Strategic Objectives	
1	Growth of professional conduct coverage & public awareness of protections
2	Growth in Registrations: penetration; G-to-C; C-to-P
3	Growth of CPD: provider coverage; RP compliance
4	Growth in Education coverage: TVETs/CETs; Academies
5	Reviewed & revised C-to-P registration
6	Accreditation regime developed for TVETs/CETs
7	Policy ground & systems for IDoEW & PGF fully prepared for 2025/26 launch
8	New structure installed & staff developed & motivated
9	Engineers Fidelity Fund developed & launched
10	National policies translated: Prof. of Public Service; transformation; climate change
11	Partner resources secured for policy projects
12	Increased collection of Registration fees due
13	Increased recovery of core services costs
14	Clean audit & cost management achieved
15	Renovated policies & operating procedures
16	Renovated core ICT systems: Registration; Education
17	Core service interface systems improved: Website, Contact Centre
18	International status & education standards maintained
19	Service Charter developed & launched
20	Improved external stakeholder engagement, satisfaction/discipline & loyalty

2. DIVISION KEY PERFORMANCE INDICATORS (KPIs)

The organisation had a total of one hundred and ninety-eight (198) key performance indicators for the 2024-2025 financial year and the below provide a detailed break-down of the number of KPIs per division.

Table 3: Divisional Key Performance Indicators (KPIs)

Division	Planned Number of KPIs	Achieved Number of KPIs
Corporate Support Services	35	34
Combined Assurance	26	20
Finance	19	15
Council Secretariat	11	8
Statutory Services	47	45
Regulatory Services and International Relations	22	20
Strategy and Growth	34	34
Total	**194**	**176**

3. OVERALL ORGANISATIONAL PERFORMANCE

The table below provides organisational quarterly performance and the overall performance of each division for the 2024-2025 fiscal year.

Table 4: Organisational Performance

Organisational Performance					
Division	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Overall performance
Council Secretariat	N/A	100%	100%	63%	73%
Corporate Support Services	N/A	100%	100%	97%	97%
Combined Assurance	100%	N/A	50%	78%	77%
Finance	100%	100%	100%	71%	79%
Regulatory Services and International Relations	100%	100%	N/A	88%	91%
Statutory Services	N/A	100%	N/A	90%	90%
Strategy and Growth	N/A	100%	N/A	100%	100%
Total	**100%**	**100%**	**86%**	**91%**	**91%**

4. SUMMARY OF VARIANCE PER DIVISION

Table 5: Varance Per Division

Reasons for variance	Planned actions	Target Date
Combined Assurance		
• The procurement process to appoint a new Internal Audit service provider had not yet been concluded by 14/12/2024. • The absence of an internal service provider resulted in the criteria for level 1 in the maturity matrix not being met. • This was outside of the division's control	• Improvement from the current level of the Combined Assurance Maturity level to the next by 31/12/2024 • The KPI for 2025-2026 focuses on what the division has control over	• 31 March 2026
Council Secretariat		
• Delay in the review and update of governance codifications (Council and committee charters, delegations of authority) • Overspent on council nominations budget	• The non-achieved KPIs have been deferred to the 2025/2026 financial year • Requested ARC for budget movement, which was not approved. • The amount was monitored but out of the control of Cosec. • To be budgeted appropriately next time.	• 31 March 2026 • The budget was for the 2024/2025 FY, and the project has been concluded.
Finance		
Engagements with banks and employers were not fully optimised	• Further interventions with banks to be implemented in the 25/26 FY to reduce the amount in the suspense account • Debt collecting agency procurement • Cancellation policy and privy seal interventions	• 31 March 2026 • The debt agency was procured.
Statutory Services		
• Licensed Bodies are authorised to present Category 1A CPD activities to professionally registered persons. An increase in the number of LBs directly supports compliance with the CPD Rules. While the Statutory Services Division implemented all planned actions - including awareness webinars and engagement sessions with Voluntary Associations not yet recognised as LBs - only one new LB was formally recognised during the period under review. • The Institute for Work at Height (IWH) was recognised in Quarter 4 of 2024/2025	• The non-achieved KPI has been deferred to the 2025/2026 financial year and will include targeted engagement with Voluntary Associations (new and current recognised) and Higher Education Institutions (new), who are not recognised and have the capacity to become Licensed Bodies	• 31 March 2026

1. PROGRAMME ONE

1.1 ASSESS & ACCREDIT PSET IN ENGINEERING HEI & INTERNATIONAL BODIES

Four (4) sub-programmes fall under Programme 1:

Endorsement – Higher Education Institutions (HEIs) planning to offer a new Engineering Programme require formal ECSA endorsement before submission to the Council on Higher Education (CHE) for its programme accreditation (not to be confused with the ECSA accreditation).

Accreditation - Formal ECSA recognition awarded to an Engineering Programme offered by a public or private 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 local, and/or foreign qualification, to the standards of an ECSA accredited qualification as the first step towards an application for registration.

Training Academies (TA) - The formal certification of a public or private entity as an ECSA TA and the accreditation of the candidacy training and mentoring programmes offered by the TA.

As part of its statutory mandate, ECSA regulates, through policies, standards and operational processes, all matters related to engineering education and qualifications in the higher education context.

1.1.1 Endorsement

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 the ECSA endorsement follows the Council on Higher Education accreditation and thereafter South African Qualifications Authority (SAQA) registration of the programme on the National Qualifications Framework, whereafter the ECSA accreditation cycle commences.

There is no specific target set for this sub-programme as ECSA cannot anticipate which HEIs will be submitting endorsement applications and for the number of higher education programmes.

It must be noted that there was a 44% decline in Endorsements granted from the previous financial year i.e. from eighteen (18) programmes endorsed in 2023/24 to ten (10) programmes in 2024/25.

During the 2024/25, ECSA endorsed the following ten (10) programmes:

Table 6: HEI Programmes Endorsed

Name of Higher Education Institution	Number of Programmes	Name of Engineering Qualification
STADIO	3	1. Bachelor of Engineering Technology in Electrical Engineering 2. Bachelor of Engineering Technology in Mechatronics Engineering 3. Bachelor of Engineering Technology in Computer Engineering
Tshwane University of Technology	3	1. Diploma in Mechanical Engineering 2. Post-Graduate Diploma in Engineering Technology: Mechatronics Engineering 3. Master of Engineering in Mechatronics Engineering
University of Johannesburg	2	1. BEng Tech Hons in Electrical Engineering 2. MEng in Electrical and Electronic Engineering
Academic Institute of Excellence	2	1. Diploma in Engineering in Electrical Engineering in Renewable Energy Engineering 2. Diploma in Engineering in Mechatronic and Robotics Engineering

1.1.2 Accreditation

Accreditations were conducted through a rigorous peer-review and policy-directed process and fell into one of four types of accreditation visit categories, i.e., Provisional, Regular, Interim, or Final accreditation visit.

The target set for the 2024/25 fiscal year was forty-nine programme visits conducted efficiently. One hundred (100) percent of the target was achieved, i.e., forty-nine programme visits were conducted and outcomes presented to the Accreditation and Training Committee for approval.

Table 7: HEI Programmes Accredited in 2024/2025

Name of Higher Education Institution	Number of Programmes Accredited
Tshwane University of Technology	8
North-West University	1
University of Mauritius	4*
University of South Africa	7
University of KwaZulu-Natal	7
Independent Institute of Education	2
Nelson Mandela University	1
Mangosuthu University of Technology	1
University of Witwatersrand	1
Walter Sisulu University	1
Fort Cox Agriculture and Forestry Institute	1
Vaal University of Technology	9
University of Zululand	4
Durban University of Technology	1
Cape Peninsula University of Technology	1
Total	**49**

** The programmes are outside of the borders of South Africa, thus not accredited, but found to be substantially equivalent to the ECSA qualification standards*

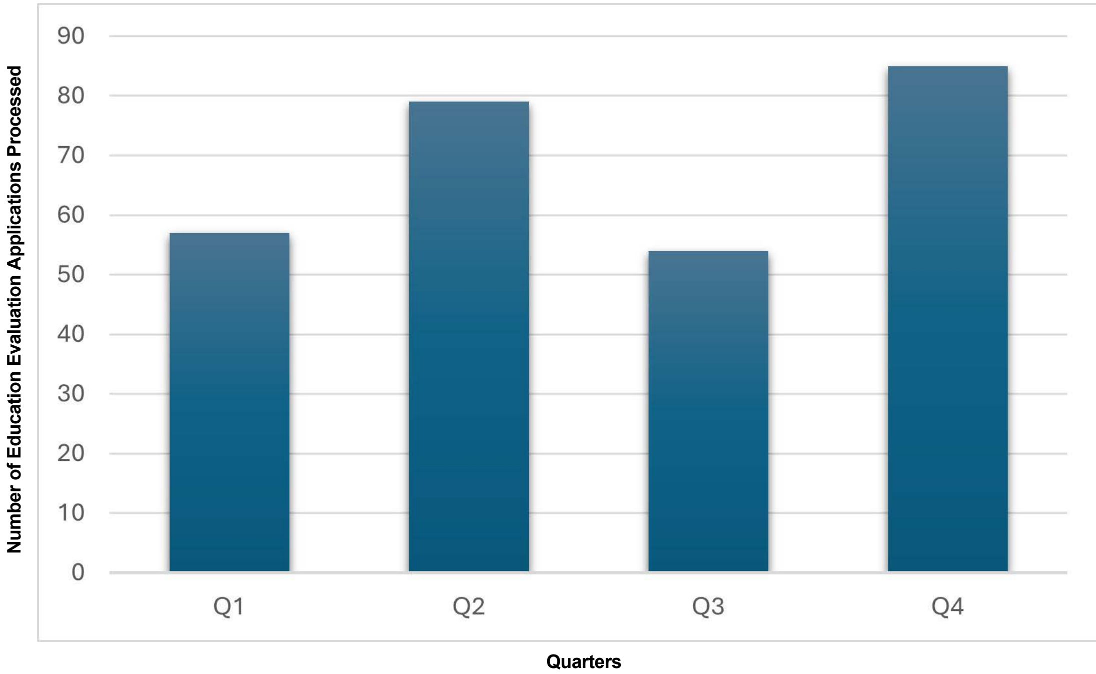
1.1.3 Education Evaluation

Individuals seeking registration with ECSA as engineering practitioners while they are in possession of non-accredited local or Foreign undergraduate 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.

There is no specific target set for this sub-programme as ECSA cannot anticipate how many applications for Education Evaluation will be submitted.

It must be noted that there was a 20% growth in Education Evaluation applications processed from the previous fiscal year i.e. two hundred and thirty (230) in 2023/2024 to two hundred and seventy-five (275) in 2024/2025, this is depicted in Figure 2 below.

Figure 2: Education Evaluation Applications Processed Per Quarter



1.1.4 Training Academies

Training Academies offer engineering graduates who have registered with ECSA as Candidates the opportunity to enhance their practical engineering competency, meeting ECSA's requirements for professional registration.

The Certification of a Training Academy is directly associated with substantiated proof of the ability of a public or private entity to offer high-quality structured engineering Candidacy Mentoring and Training programmes, which will train and prepare Candidate Engineers along their journey towards Professional Registration.

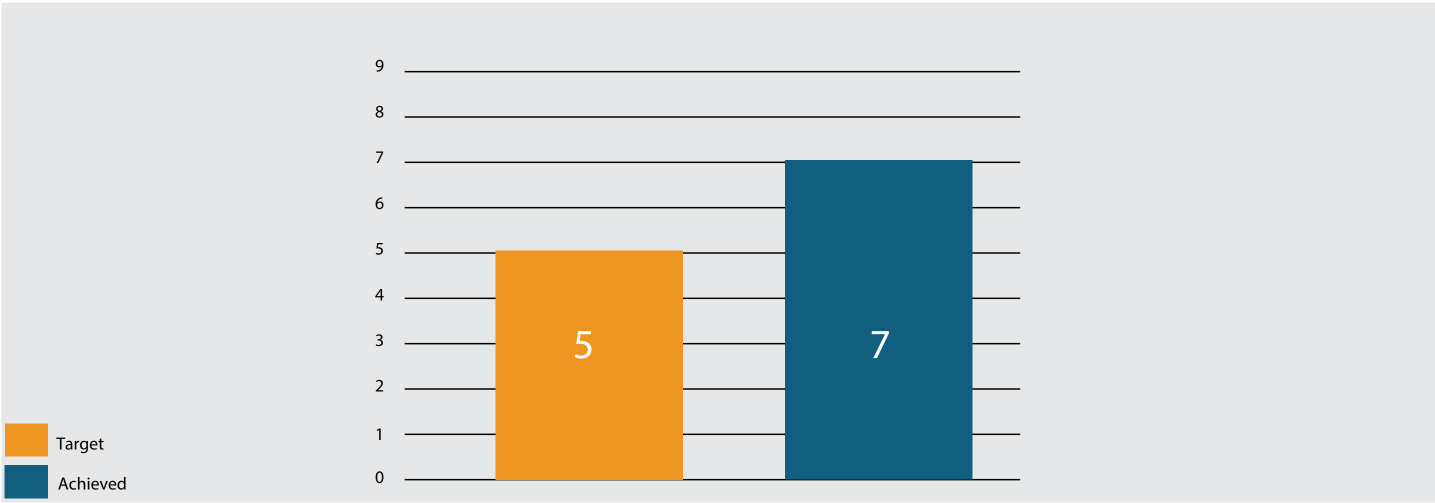
Ultimately, the certification award of Training Academies aims to increase the number of entities that are well-equipped and capacitated to train Engineering Candidates in the Council-approved categories and ECSA-approved Disciplines, thereby enhancing the conversion rates of candidacy to professional status. If this initiative grows exponentially, it will bring significant benefits to expanding the critical engineering skills pipeline and professionalising the engineering sector, thereby alleviating the scarcity and critical shortages of various engineering skills in the country.

The target set for the 2024/25 fiscal year was for five (5) new Memoranda of Understanding (MoU) to be signed with potential training academies and to conduct a study on the viability of certifying Higher Education Institutions as training academies.

The viability study was conducted, clearly indicating that HEIs do not deem the certification option as viable or sustainable, and the report was subsequently approved by the Accreditation and Training Committee.

The target for the number of MoUs signed was exceeded by two (2), with seven (7) MoUs concluded.

Figure 3: Number of Memoranda of Understanding signed



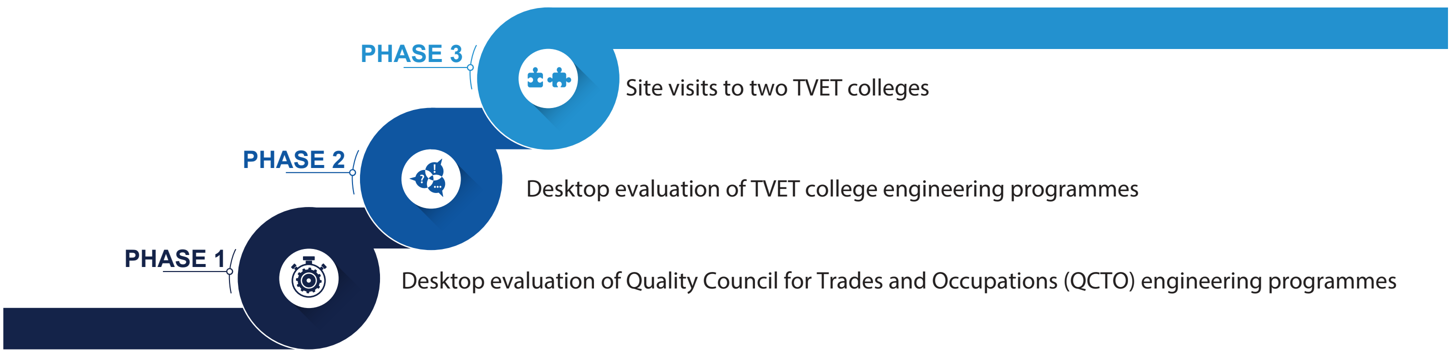
1.1.5 Strategic Project – TVET Colleges

ECSA currently does not accredit Technical and Vocational Education and Training (TVET) engineering programmes for seamless registration purposes. As part of the Renewal and Growth Strategy, there was a task for ECSA to explore the possibilities of incorporating TVET programs that feed engineering graduate programs.

At present, individuals who complete the N4–N6 programmes, followed by a two-year internship or apprenticeship, are still required to accumulate an additional six years of work experience before qualifying for professional registration. This extended gap presents a barrier to progression and professional recognition for technicians. As a result, ECSA deemed it necessary to explore alternative, fit-for-purpose solutions.

A strategic pilot project was conducted during the 2024/25 fiscal year to explore viable options.

The pilot project consisted of three phases:



Following the desktop evaluation in phase 1, it was concluded that QCTO engineering qualifications are not equivalent to ECSA's qualification standard for programmes at NQF level 6. It is evident that significant work will be required from the QCTO to establish such equivalence. ECSA recognises that the QCTO developed these qualifications in consultation with TVET colleges, industry experts, and Sector Education and Training Authorities (SETAs) in alignment with SAQA policy and the QCTO's guidelines for developing occupational qualifications. However, this development process did not involve consultation with ECSA. In contrast, when a higher education institution develops a new engineering qualification, ECSA is involved from the outset and must endorse the programme before it is submitted to the CHE for accreditation. This ensures ECSA's standards are considered during the development phase.

Through phases 2 and 3, a key finding was the significant inequivalence and articulation barrier between NATED graduates at level 6 and qualifications aligned with QCTO and CHE at the same NQF level. This misalignment undermines the coherence and intent of the National Qualifications Framework, limiting the mobility and progression of graduates within the engineering profession. Addressing this issue requires coordinated engagement with key regulatory bodies, including the DHET, QCTO, CHE, and Umalusi.

ECSA is well-positioned to play a strategic and facilitative role in advocating for clearer, more equitable articulation pathways between NATED, TVET, and higher education qualifications. Through continued investigation and collaborative interventions, ECSA can meaningfully contribute to improving the alignment, quality, and impact of engineering education – particularly in supporting the professionalisation of engineering technicians and advancing South Africa's broader skills development agenda.

2. PROGRAMME TWO

2.1 ASSESS AND REGISTER CANDIDATES AND COMPETENT ENGINEERING PROFESSIONALS

The EPA empowers the 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, regarding the recognition of any examination or qualification for the purposes of the Act.

The 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 this regard, 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 the Council.

The purpose of this programme is to grow the database of Registered Persons to build a more sustainable engineering skills pipeline for the country.

This programme consists of three (3) sub-programmes, namely

- **Graduate attraction to ECSA:** Engineering graduates who register as Candidates within 12 months of graduating.
- **Candidate registration:** Persons who register with ECSA 12 months+ after graduating, or those who come through the alternative route and education evaluation.
- **Professional registration:** The number of persons who register with ECSA in a professional and/ or one of the specified categories annually.

The growth of professionals also ensures a sustainable pipeline of panel members who can undertake the peer review processes related to the accreditation of HEI programmes and the registration of new professionals in all categories.

Registration versus the number of persons in the database

While ECSA recognised **50 782** people registered with the Council by 31 March 2025, it is important to note that a person can have more than one category of registration.

The number of registrations at the end of the same period was 55 009. The figures below depict the total number of registrations in the candidate, professional and specified categories.

Figure 4: Total Number of Candidate Registrations in the Database on 31 March 2025

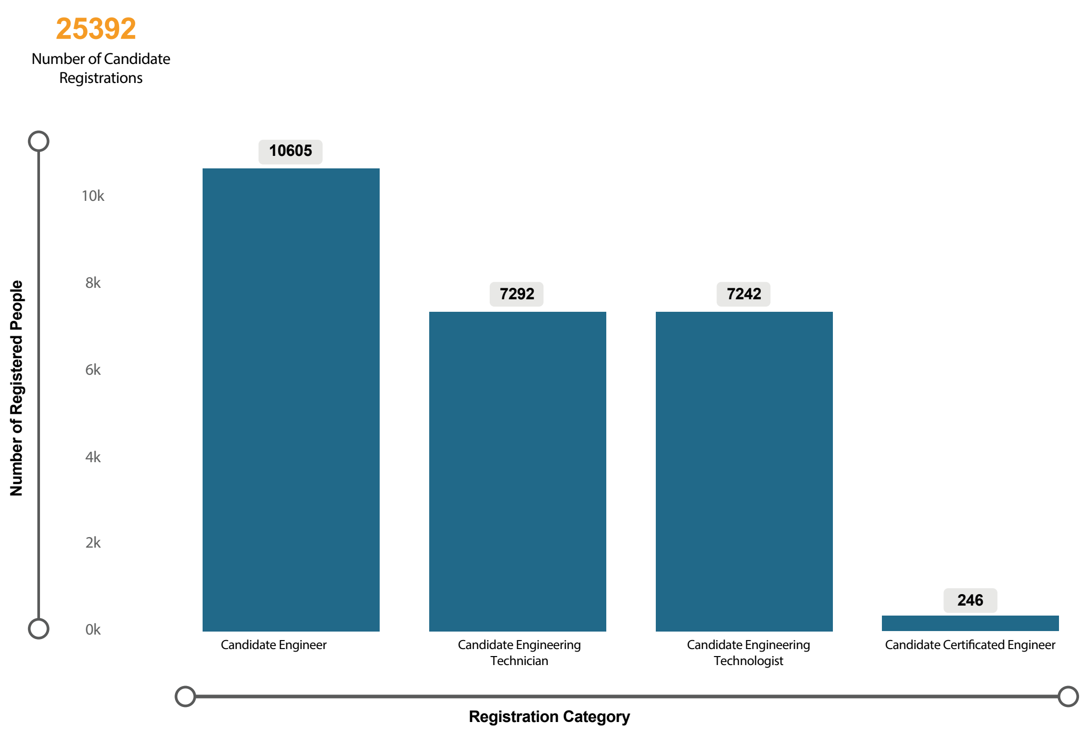


Figure 5 above illustrates the total number of registrations in Candidate categories as of 31 March 2025. Of the total of fifty-five thousand and nine **(55 009)**. Registrations: Twenty-five thousand, three hundred and ninety-two **(25 392)** are Candidate registrations in the various Council-approved Categories.

Figure 5: Total Number of Professional Registrations** In **the Database on 31 March 2025

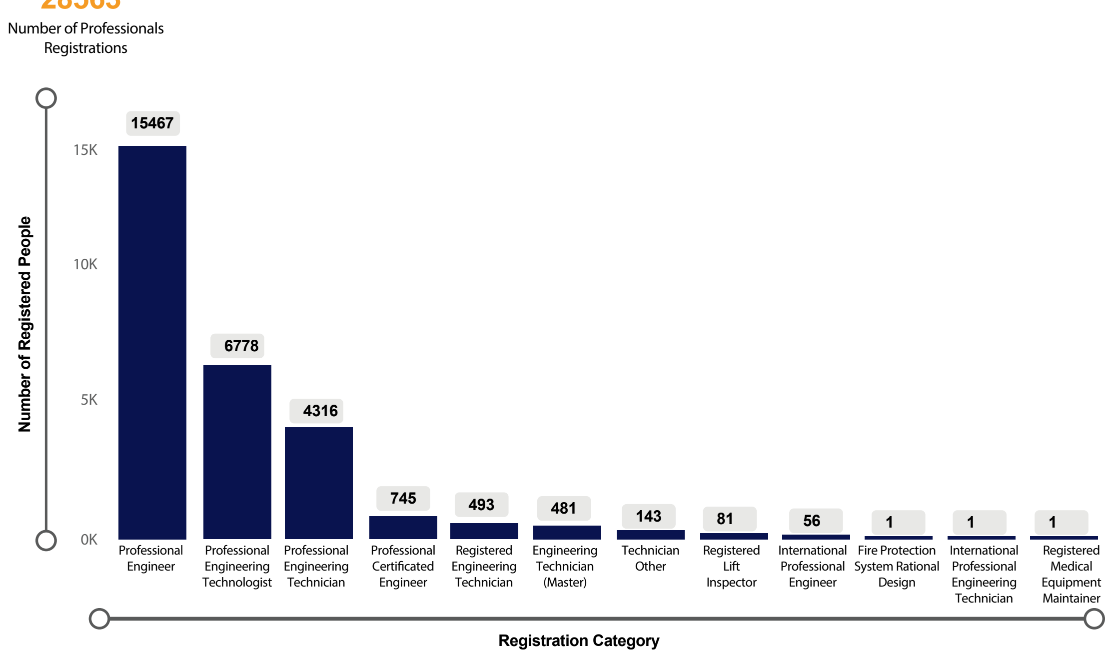


Figure 5 above illustrates the total number of registrations in Professional categories as of 31 March 2025. Of the total of **55 009** registrations, **28 563** were Professional registrations in the various Council-approved Categories.

For the reporting period, **1 054** Specified Category registrations were included in the database of registered persons, as per Figure 6 below.

Figure 6: Number of Registrations for Specified Category in the Database by 31 March 2025

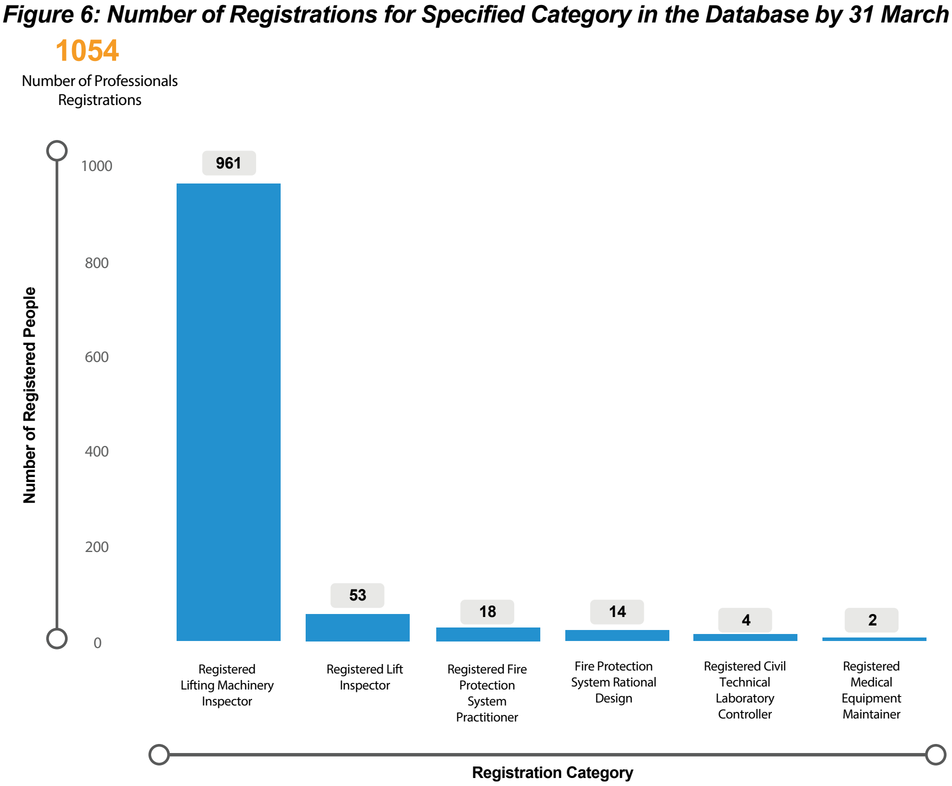


Figure 6 above illustrates the total number of registrations in specified categories as of 31 March 2025. It is evident that the Lifting Machinery Inspector category has grown significantly, while in the remaining Specified Categories, numbers are only now starting to show minimal growth.

Retention Project

In preparation of the implementation of the IDoEW Rules during the 2025/26 fiscal year, the Council introduced a special registration reinstatement project to assist individuals whose registration had been cancelled between 2019 and 2024. This Council-approved initiative allowed affected individuals to apply for reinstatement without undergoing the full re-registration process.

For Candidates whose statuses were cancelled during the same period, Council further approved that any arrear amounts be written off, requiring only the payment of the prorated annual fee for the 2023/24 fiscal year. However, Professionals seeking reinstatement were still required to settle all outstanding arrear fees before their reinstatement could be processed.

Through this initiative, a total of **1 001** Candidates, **464** Professionals, and **35** individuals in Specified Categories were successfully reinstated during the 2024/25 fiscal year.

Figure 7: Number of Reinstatements Effected during the 2024/25 Financial Year.

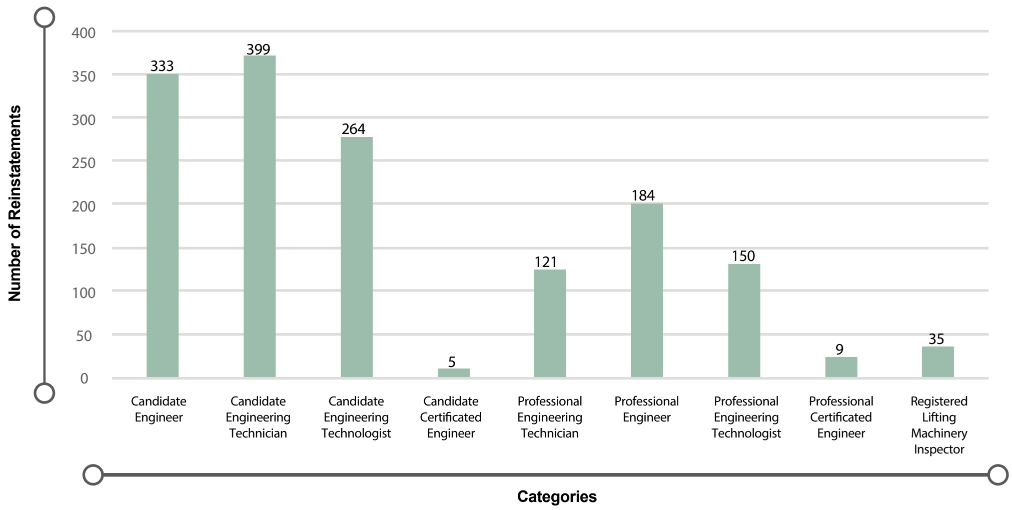


Figure 7 above depicts the total number of reinstatements affected during the 2024/25 fiscal year, categorised by registration type.

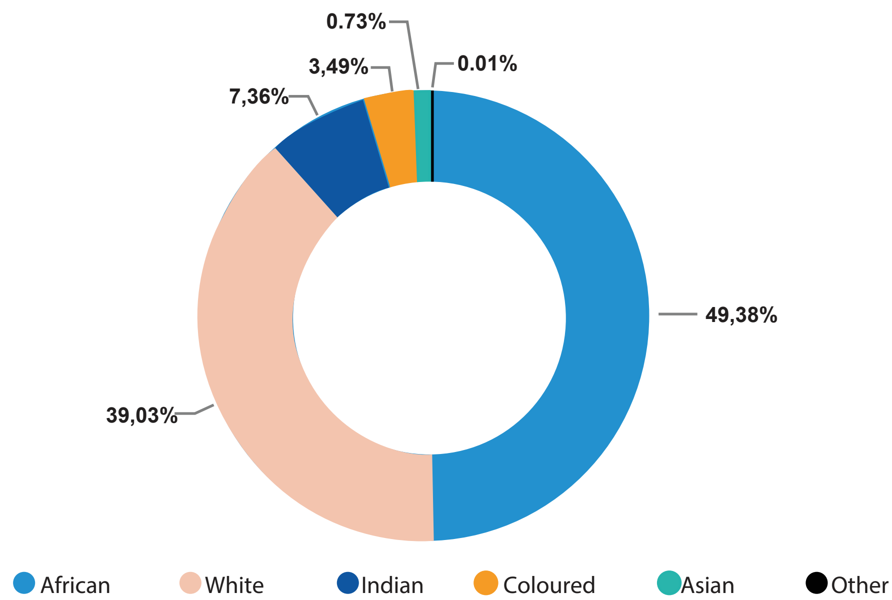
2.2 DEMOGRAPHIC SPREAD OF CANDIDATES AND PROFESSIONALS REGISTERED WITH ECSA

By the end of the 2024/25 fiscal year, Africans comprised **49.38%** of individuals in the ECSA database, while White individuals accounted for **39.03%**. The remaining **10%** represented a mix of other racial groups. Although the database still did not fully reflect the national demographics, there was a notable increase in African registrations, which grew by **3,638** individuals during the 12 month period - an improvement from the **3,393** recorded in the previous year.

In contrast, the number of White individuals in the database experienced negative growth. Female representation remained low, yet progress was evident: by the close of the 2023/24 fiscal year, women accounted for **15.82%** of the database. This figure rose to **18.66%** by the end of 2024/25, indicating meaningful strides toward greater gender inclusivity.

Figure 8: People Registered with ECSA by Race on 31 March 2025.

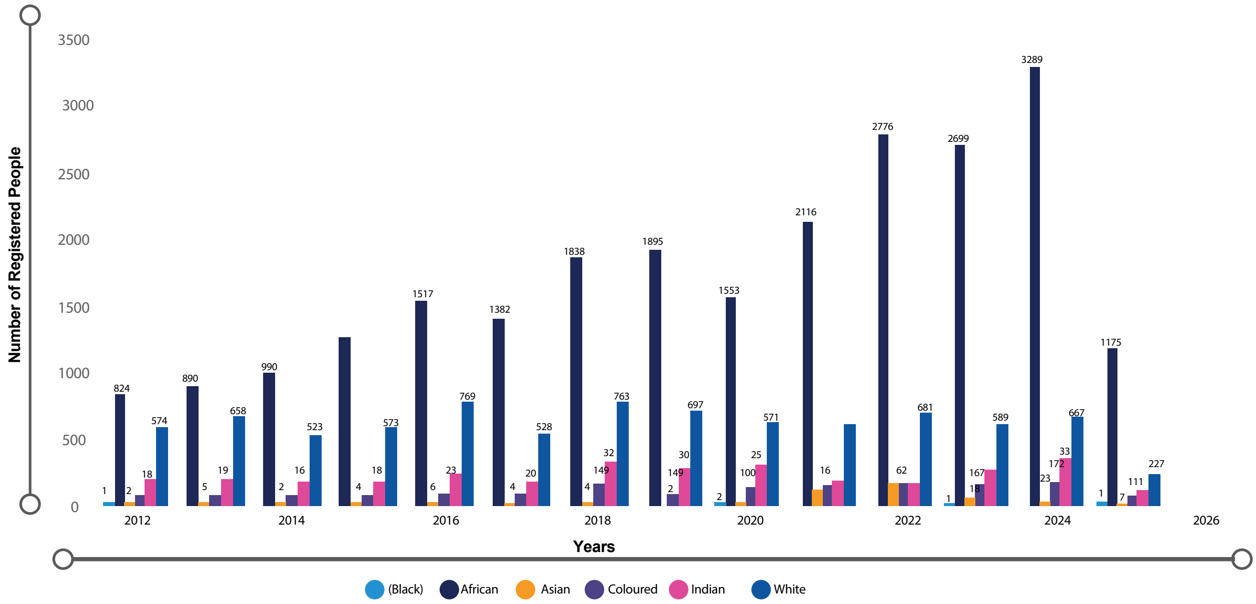
Race	Records
White	21470
Indian	4046
Coloured	1920
Asian	402
African	27162
Other	9
Total	**55009**



In comparison to the previous financial year, ECSA has seen a **30.31%** increase in the number of Africans in the database, **19.33%** in the number of coloured people, and **12.14%** and **6.63%** increases for Indians and Asians, respectively.

Figure 9: People Registered by Race over time

(important to note that the year 2025 is only depicted for the months January to March 2025).

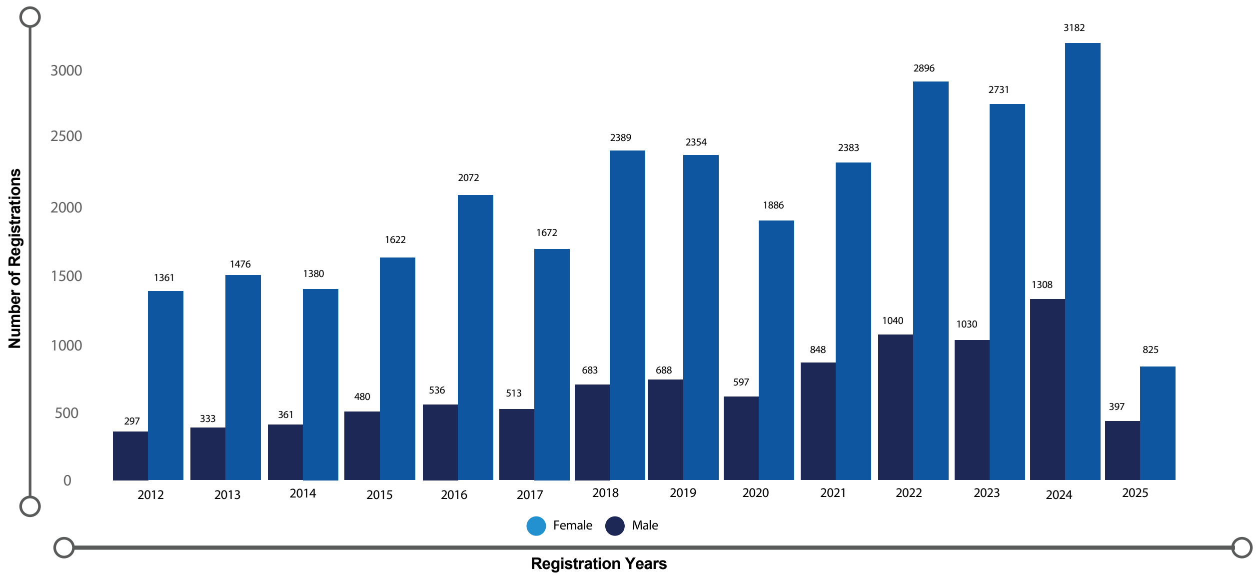


ECSA has actively collaborated with various Voluntary Associations, with the EWSeta "Woman in Water" Candidacy fees initiative, as well as with Knowledge Mentoring 4 Success through their highly successful Women in the Built Environment (WITBE) programme, to drive efforts aimed at increasing female interest in engineering and registrations with ECSA.

As of the end of the 2024/25 fiscal year, a total of **10,263** females were registered with ECSA - a notable increase from the **8,002** registered across the various categories at the end of the 2023/24 fiscal year. This upward trend underscores the positive impact of targeted gender transformation initiatives.

Figure 10: People registered with by Gender over time

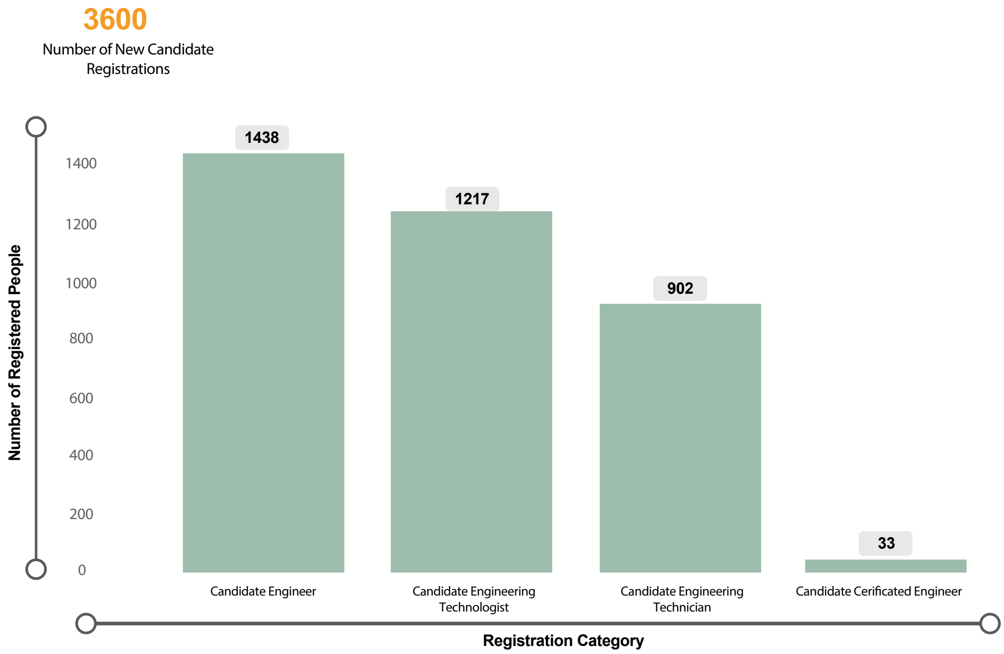
(important to note that the year 2025 is only depicted for the months January to March 2025).



Candidate Registrations: Number of New Candidates in the Database

The 2024/25 fiscal year saw **3 600** new candidate registrations in the Categories as depicted in Figure 11 below.

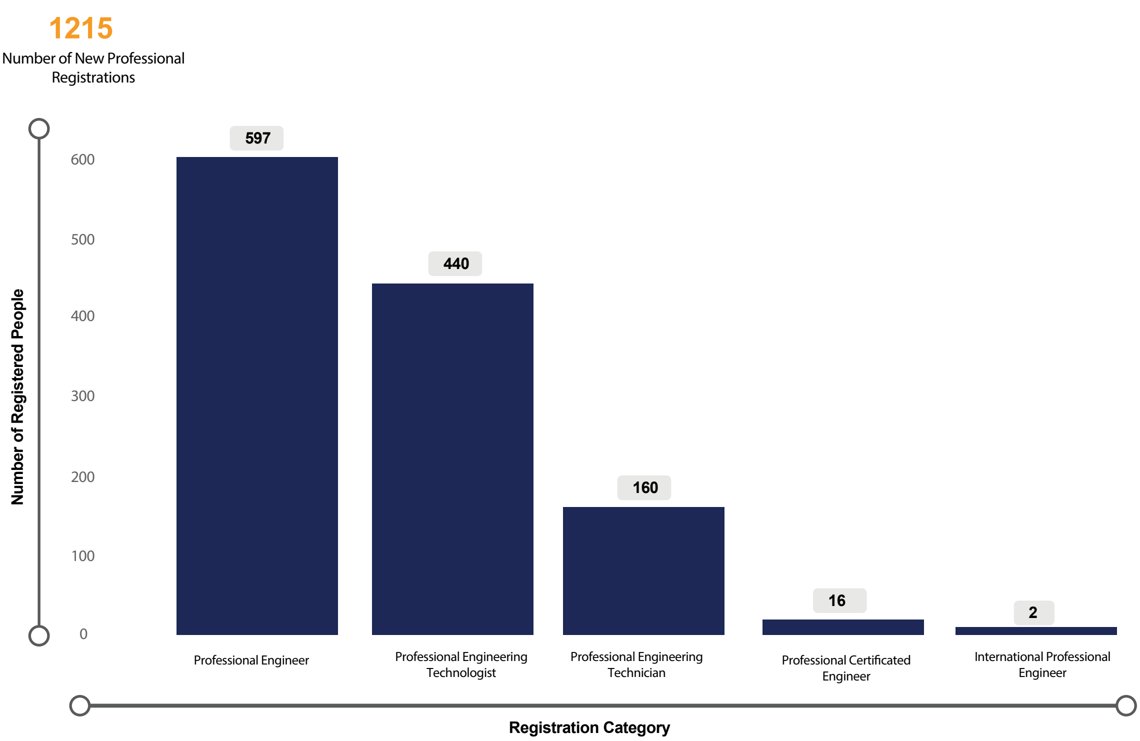
Figure 11: New Candidates Registered with ECSA in the 2024/25 financial year



Professional Registrations: Number of New Professionals in the Database

The 2024/25 fiscal year saw **1 215** new professional registrations in the Categories as depicted in Figure 12 below.

Figure 12: New Professionals Registered with ECSA in the 2024/25 fiscal year



During the 2024/25 fiscal year, a total of **1 215** new registrations were recorded in the Professional Categories, along with **12** new registrations in the Specified Categories. The trend of the Professional Engineer category leading in the number of new registrations continued to hold true. Notably, however, there was a significant increase in the number of newly registered Professional Technologists, In the previous fiscal ECSA registered **271** professional Technologists, this number increased to **440** for the reporting period. That is a growth of **62%** for Professional Engineering Technologists. This shift may indicate a growing recognition of the value and demand for technologists within the engineering profession and specifically for the need for these practitioners to hold professional registration.

2.3 STRATEGIES TO IMPROVE THE EFFICIENCY OF THE PROFESSIONAL REGISTRATION PROCESS

ECSA piloted the implementation of an application cycle calendar during the 2024/25 fiscal year. The outcomes revealed that the system of forcing applications through the open cycle increases applications that are administratively incomplete, doubles the time needed to process applications, increases the need for moderators and assessors and requires more resources internally which is unsustainable and increases inefficiencies. As a result, the application cycle model will be re-evaluated, and a more efficient alternative will be implemented from Quarter 2 of the new fiscal year.

In January 2024, Council-approved changes to the registration process came into effect. These revisions were aimed at reducing the over-reliance on a large pool of peer assessors during the experience appraisal phase. Additionally, the experience appraisal interview - previously used increasingly when assessors and moderators were uncertain about a candidate's demonstrated competence - was removed and only the option for abeyance is used as the route for candidates who have gaps in their experience.

During 2024/25, ECSA deployed and assessed the new candidate and professional applications portal, which will serve as the front end for the fully digitised registration process. The full deployment of the renovated CRM to external users is scheduled for the new fiscal year, positioning ECSA for enhanced service delivery and regulatory efficiency.

ECSA also completed the integration of a digital certificate system with a real-time verification seal for professional certification. This innovation will be launched alongside the upgraded CRM system in Quarter 2 of the new fiscal year.

The Council approved the new Rules for Cancellation of Registration and Renewals, effective from **1 April 2025**. These rules mark a significant step towards stronger regulatory enforcement, particularly for individuals failing to meet annual fee payment obligations or Continuing Professional Development requirements, in line with the Engineering Profession Act.

3. PROGRAMME THREE

3.1 CONTINUING PROFESSIONAL DEVELOPMENT AND VOLUNTARY ASSOCIATIONS

3.1.1 Regulate Compliance Through CPD

Since 2018, ECSA has consistently monitored the implementation and professional compliance with the Continuing Professional Development (CPD) Framework in alignment with the EPA (No. 46 of 2000). This oversight is guided by the Rules related to CPD and Renewal of Registration (gazetted in May 2017), as well as the CPD Standard, which was developed and implemented in 2021.

ECSA is designated as the sole custodian of Continuing Professional Development in terms of the CPD Standard, reaffirming its statutory mandate to regulate and oversee CPD activities in accordance with the Engineering Profession Act and the CPD Rules. Within this framework, key role players – including Voluntary Associations, Higher Education Institutions, and CPD Service Providers – undertake critical functions that are formally delegated by ECSA and remain subject to its ongoing monitoring and evaluation. The CPD Standard further serves to provide detailed guidance on the implementation of the CPD provisions, ensuring consistency, quality assurance, and alignment with the broader objectives of professional regulation. The CPD Framework is a key enabler in this process, establishing the basis for engagement, accountability and quality control in the delivery of CPD activities.

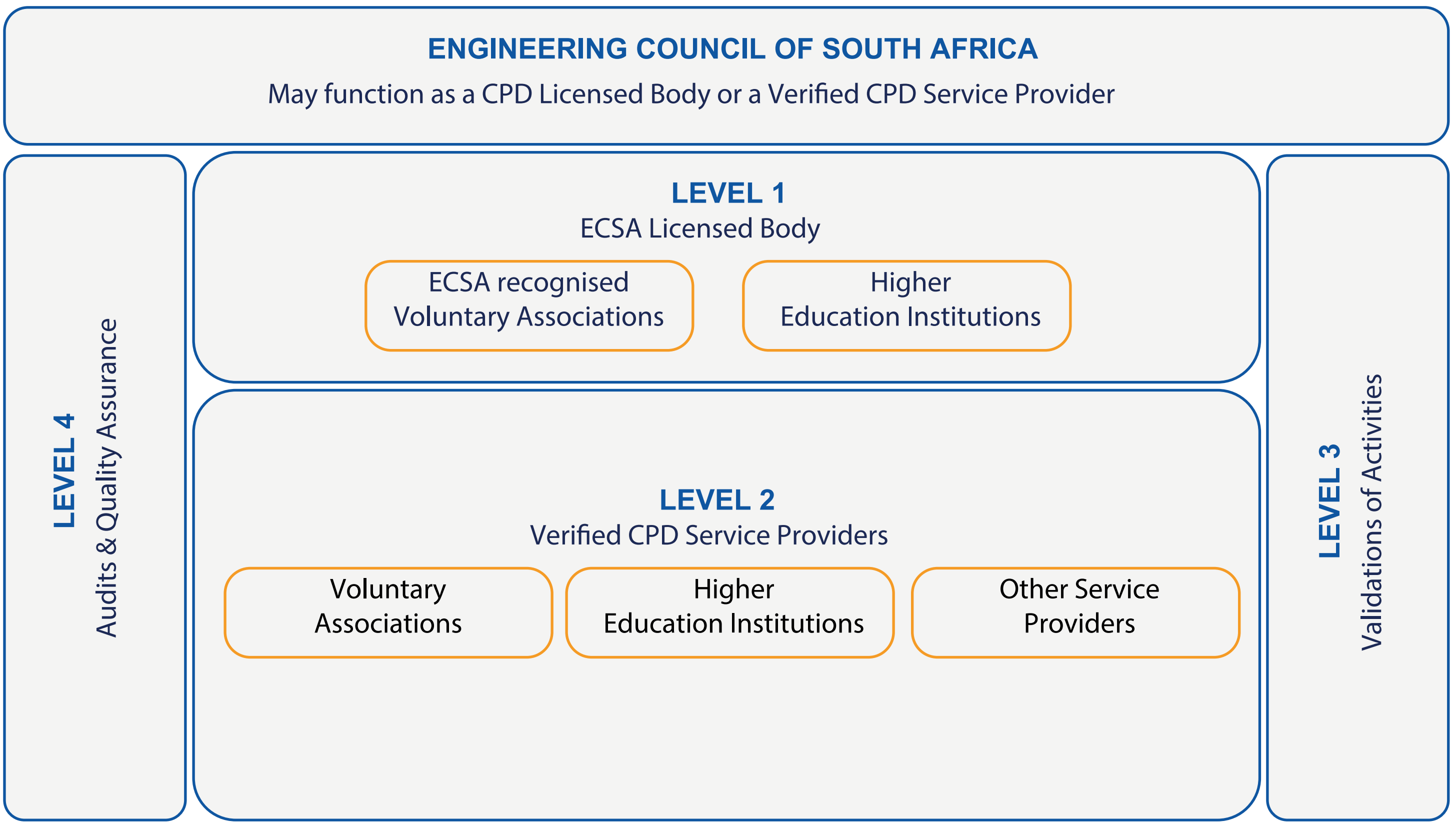
The purpose of this programme is to ensure the continuing professional development of the practising engineering professional through compliance with registration requirements as per the Engineering Profession Act (EPA).

The purpose of the sub-programme is to (i) ensure a high level of compliance among practising engineering professionals and (ii) establish an enabling environment that supports and encourages compliance by registered engineering professionals.

3.1.2 Conceptual Structure of Continuing Professional Development

Figure 13 below presents the conceptual framework of CPD as outlined in CPD Rules. It illustrates the various levels and criteria within the framework, along with the various roles and responsibilities of the key stakeholders mentioned above.

Figure 13: The Conceptual Framework of CPD in terms of the Rules



3.1.3 Annual CPD Compliance by Registered Persons

The five-year CPD cycle for each person registered in the professional and specified categories begins on the anniversary of their initial registration with the Council. This date, which is reflected on the individual's certificate of registration, also marks the expiry date of their current registration cycle.

The Council is required to notify the Registered Persons at least five (5) months prior to the expiry of their registration. In terms of the CPD Rules, the Registered Persons must submit their application for renewal of their registration no later than three (3) months prior to the expiry date.

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

Minimum CPD Credits per Five-Year Cycle

Accumulating a minimum of twenty-five (25) credits during each five-year cycle.

Credits Must Span Multiple Categories

CPD credits must be obtained in at least two of the three categories listed in the Rules over the five-year cycle.

Annual Minimum CPD Credits

A minimum total of three (3) CPD credits must be obtained across any two of the three CPD categories per year.

Mandatory Credits in Category 1

The registered person must accumulate at least five (5) credits per five-year cycle in Category 1: Developmental Activities. All activities in this category must be validated in accordance with ECSA requirements. Unvalidated activities will not be recognised. The CPD Rules define the types of acceptable activities under this category.

It is important to note that the renewal rate is cumulative in nature, primarily due to the fact that each registered person's five-year CPD cycle is triggered by their individual initial registration date. As a result, renewal submissions are continuously received and processed throughout the year, rather than at a single fixed point. This creates an ongoing administrative demand for ECSA, as the processing and finalisation of renewal submissions – including those from previous years and cycles – contribute to a progressively increasing annual renewal rate. For reporting purposes, this means the renewal rate is not static but evolves daily, reflecting the dynamic nature of registration compliance management.

Compared to the previous fiscal year, the annual renewal rate for 2024/25 shows a marked improvement. The renewal rate increased from 56% in 2022/23 to 62.66% by the end of the 2023/24 fiscal year, followed by a further rise to 66.22% at the close of 2024/25. This upward trend reflects ongoing efforts to strengthen compliance and streamline the renewal process.

Planned enhancements to the ECSA CRM system, as part of the broader Systems Renovation initiative, are expected to sustain – if not improve – this key compliance metric. In addition, ECSA will prioritise CPD compliance in the upcoming fiscal year by intensifying communication efforts and reinforcing the need for stricter professional discipline across the sector. This focus is particularly critical in light of the impending enforcement of the Identification of Engineering Work Rules, set to take effect in April 2025.

Table 8: Comparative Statistics: Annual Renewal of Registration

Year	Renewals Due	Renewals Outstanding	Renewal Number	Renewal Rate	Target	Actual Achieved
2023-2024	3980	1502	2478	62.26%	50- 55%	62.26%
2024-2025	3518	1218	2300	66.2%	65%	66.2%

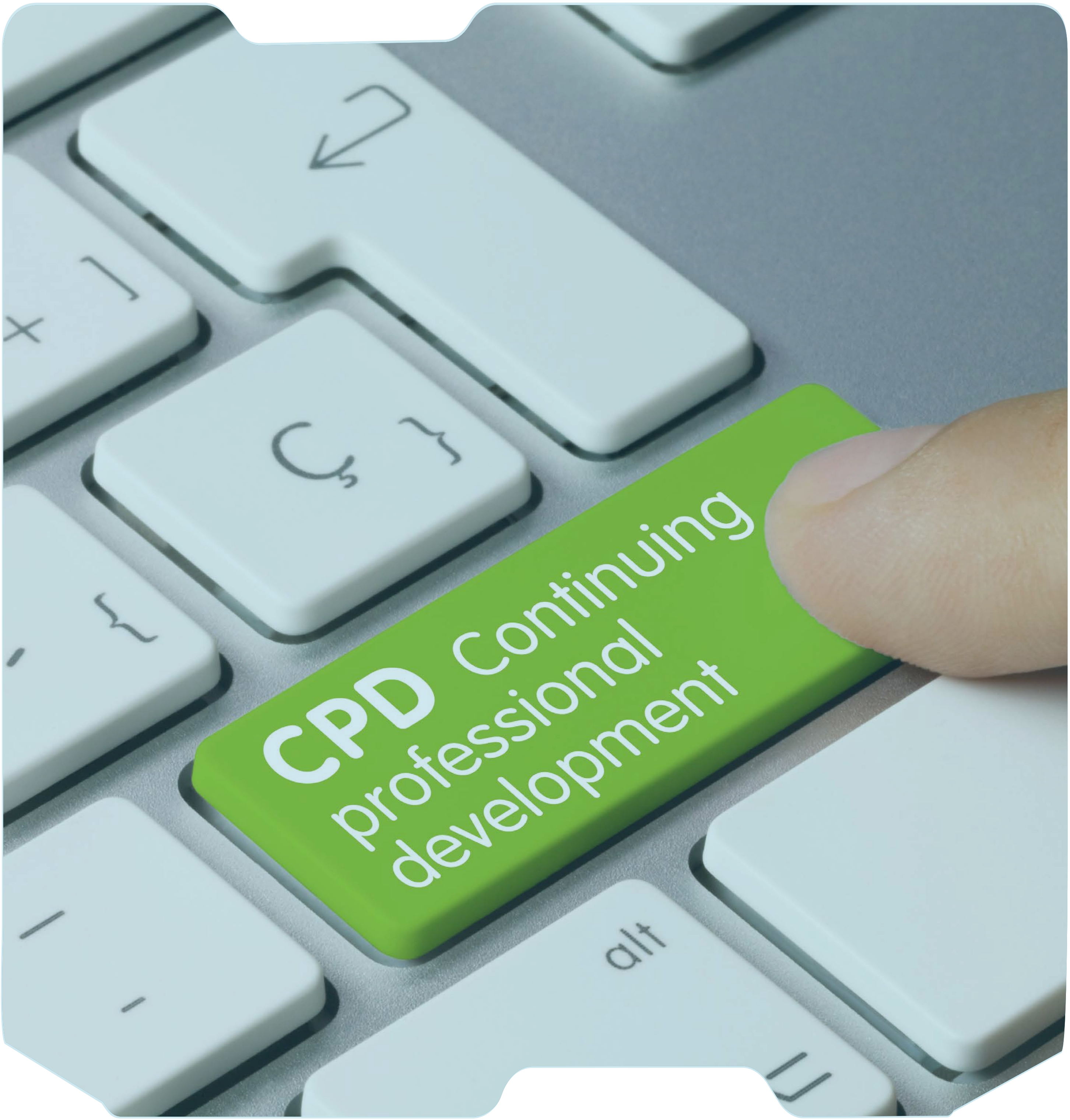
3.1.4 Auditing of Registered Persons for CPD Compliance

In accordance with Section 11 of the CPD Rules, ECSA conducts random audits to verify whether registered persons meet the requirements stipulated in the Rules. These audits encompass a review of all CPD records submitted by individuals whose registrations have been renewed within a specified cycle.

In each quarter of a fiscal 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 fiscal 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 the current financial year for the previous fiscal year.

In the 2024/25 fiscal year, 76% of the 75 persons audited were found to be compliant, with 24% having difficulty supplying all the relevant documentation as proof of their compliance.

ECSA is currently auditing Registered Persons who finalised their renewals during the 2024/25 fiscal year, and thus far, for quarters 1, 2 and 3, the documentation of 24% out of 75 registered persons is still outstanding. For quarter four, the request for documentation will be sent out in quarter one of 2025/26.



4. PROGRAMME FOUR

4.1 REGULATE & ASSURE PROFESSIONAL SERVICE STANDARDS, CONDUCT & PRACTICE

The Engineering Council of South Africa is mandated by the Engineering Profession Act, 46 of 2000, to regulate the practice of engineering in South Africa in a manner that promotes the highest standards of professional conduct and accountability. This programme, "Regulate and Assure Professional Service Standards, Conduct and Practice" serves as a cornerstone of ECSA's mandate to promote protection of the public interest, enhance trust in the profession and regulate the professional and ethical behaviour of Registered Persons.

This fiscal year marked a period of intensified regulatory activity, internal strengthening of compliance frameworks, and meaningful external engagement aimed at enhancing the integrity, accessibility, and fairness of ECSA's disciplinary, enforcement, and appeals processes.

Key Activities and Performance for 2024/2025

During the 2024/2025 financial year, ECSA recorded a significant volume of regulatory activity in line with its mandate to manage complaints, disciplinary processes, and statutory appeals. The statistics below reflect the scale and complexity of matters handled during the reporting period:

Table 9: Key Activities and Performance

Matter Description	April 2024 - March 2025
Total complaints received	**133**
Improper conduct disciplinary hearings set down	32
Section 24 appeals set down	11
Overdue improper conduct matters	12
Criminal cases under investigation	9
Public interest concern matters under review	12

The increase in public interest and concern matters and criminal case interfaces signals a growing need for inter-agency cooperation, which remains a strategic focus area in strengthening enforcement and information-sharing protocols with external regulatory bodies, including the South African Police Service, the National Prosecuting Authority, and the Council for the Built Environment.

4.1.1 Regulatory Reform and Development of New Instruments

A key strategic focus of the reporting period was the review and development of critical regulatory instruments to modernise ECSA's enforcement, disciplinary, and appeals regimes. These instruments are central to standardising practice, ensuring procedural fairness, and enabling uniform application of statutory powers across the organisation.

The following new or revised instruments were completed in 2024/2025:

- Rules for the Management of Enforcement Matters
- Rules for the Management of Improper Conduct Matters
- Rules for the Management of Appeals
- Revised Rules of Conduct for Registered Persons
- Service Charters for Enforcement, Improper Conduct, and Appeals
- Standard Operating Procedures (SOPs) for each of the above regulatory functions

These instruments are designed to reflect a modernised regulatory framework that aligns with international best practices and ensures compliance with principles of administrative justice under the Promotion of Administrative Justice Act, 3 of 2000. Their development followed a comprehensive internal process involving cross-functional collaboration with legal, governance, and regulatory support teams.

In preparation for Council consideration and gazetting, ECSA undertook four formal stakeholder consultation sessions. These sessions formed a key part of the consultative process aimed at ensuring that regulatory amendments are not only legally sound but also practical, informed, and supported by key stakeholders. The consultations included participation from:

- National and provincial government departments
- Public and private sector engineering employers, Voluntary Associations and professional bodies
- Regulatory partners, including the Council for the Built Environment
- Registered Persons and interested members of the public

4.1.1 Regulatory Reform and Development of New Instruments *(Continued)*

The aim is for these revised instruments to be formally approved by Council in Quarter 1 of the 2025/2026 fiscal year and subsequently gazetted in the Government Gazette, with operationalisation to follow in the same period. This consultative process ensures not only transparency and inclusivity but also supports ECSA's commitment to cooperative governance and responsiveness to the needs of stakeholders within the engineering profession and the broader public interest.

4.1.2 Strategic Outlook and Efficiency Improvements

While the Business Unit met its regulatory targets during the year, several forward-looking strategies have been identified to improve effectiveness and resilience in future operations

- **Digital Case Management Integration:** To improve tracking and processing times for complaints and appeals.
- **Early Risk Detection Protocols:** To identify high-risk cases, including criminal matters or public safety concerns, at the intake stage.
- **Inter-agency Cooperation Frameworks:** To streamline collaboration on cases involving other regulatory or criminal law authorities.
- **Monitoring and Evaluation Tools:** To ensure continuous assessment of procedural efficiency and stakeholder satisfaction.
- **Capacity Building:** Strengthening the capacity of staff, committee members and council members through structured legal and regulatory training on the revised Rules and SOPs.

The 2024/2025 fiscal year represents a significant milestone in ECSA's strategic shift toward a more modern, transparent, and responsive regulatory environment. With foundational work completed in the development and revision of key regulatory instruments and with stakeholder consultations concluded, the stage is now set for the implementation of a strengthened governance and enforcement framework in the upcoming fiscal year.

Through these developments, ECSA continues to demonstrate its commitment to upholding the values of professional excellence, ethical integrity, public accountability, and legal compliance in the engineering profession.

4.2 REGULATORY SERVICES AND INTERNATIONAL RELATIONS

4.2.1 Overview

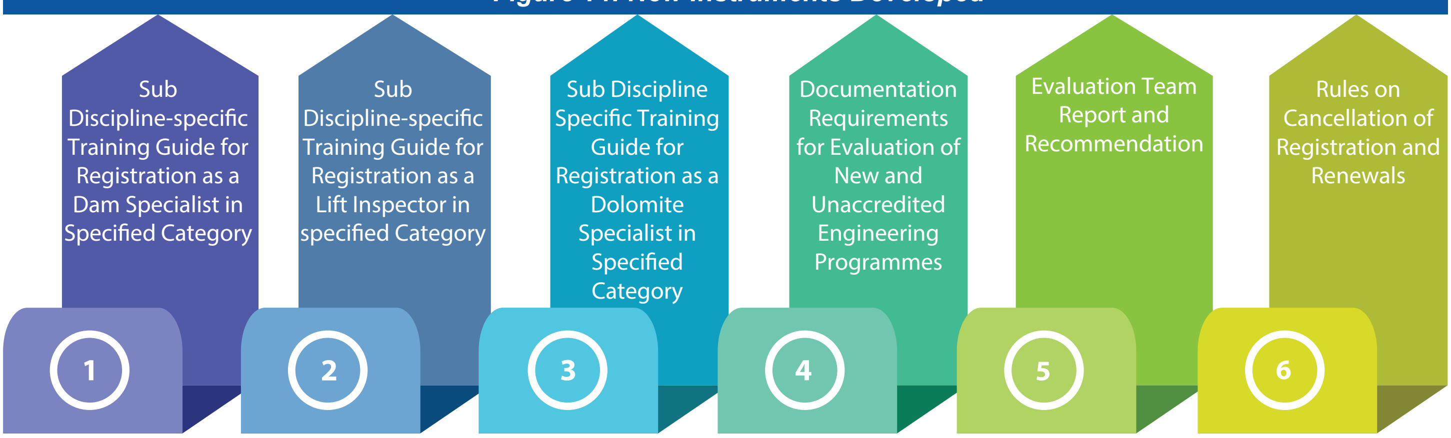
The Regulatory Services and International Relations Division, "hereinafter referred to as RSIR", is responsible for the development of regulatory instruments like ECSA regulatory policies, standards, frameworks, procedures and processes, including associated rules. It is further responsible for the ECSA's international Relations in the Southern African Development Community (SADC), Africa and globally within the dictates of the South African foreign policy. It is lastly housing the newly established monitoring and evaluation function for ensuring the effectiveness of the ECSA-approved regulatory instruments used for the regulation of the engineering sector in the interest of public safety.

The Regulatory Services and International Relations (RSIR) Division oversees the process of developing all the regulatory instruments for the regulation of the Engineering Profession and management of international relations in line with the ECSA Strategy and International Relations Framework and Policy. It further ensures that legislated mechanisms for the recognition of engineering qualifications and engineering competencies are established for the ease of mobility of engineering practitioners intra- and internationally. It further ensures the establishment of proper mechanisms for the monitoring of the efficacy of the ECSA regulatory instruments. It is because of the above strategic thrust giving effect to the ECSA strategic plan that the RSIR Division has developed and, in certain instances, reviewed existing regulatory instruments.

4.2.2 New Instruments Developed

The following instruments were developed: 3 x sub-discipline-specific training guides (DSTGs), 1 x evaluation documentation, 1 x evaluation team report and 1 x cancellation policy for the 2024/2025 fiscal year. Figure 14 in the next section depicts the Regulatory Instruments developed.

Figure 14: New Instruments Developed



4.2.3 Regulatory Instruments Reviewed

The instruments that were reviewed during the 2024/25 fiscal year are illustrated in Figures 15 and 16 below.

Figure 15: Academies and Accreditation Instruments Reviewed

A-Series

- A-01-POL: Training Academy Certification and Accreditation Policy

E-Series

- E-01-POL: Policy on Accreditation of Engineering Programmes
- E-03-CRI-P: Criteria for Accreditation of Engineering Programmes
- E-12-REQ-P: Programme Self-Evaluation Documentation Requirements for Accreditation
- E-13-F&T-P: Forms and Tables for Use in Accreditation Documentation
- E-14-TEM-P: Accreditation Team Report and Recommendation
- E-15-TEM-P: Report Format for Accreditation Panel Leader
- E-24-STA: Standard for Accreditation of Programmes Delivered Online and Remote Accreditation

Figure 16: Registration Instruments Reviewed

R-Series

- R-01-POL-PC: Policy on Registration in Candidate and Professional Categories
- R-01-POL-SC: Policy on Registration of Practitioners in Specified Categories
- R-02-STA-SC: Competency Standard for Registration in a Specified Category
- R-03-PRO-PC: Processing of Applications for Registration of Candidates and Professionals
- R-INT-GUIDE-001: ECSA Registration Interview Guide
- R-04-T&M-GUIDE-SC: Training and Mentoring Guide for Specified Categories
- R-08-CS-GUIDE-SC: Guide to the Competency Standards for Registration in a Specified Category
- R-11-PRO-SC: Process for Training Engineering Candidates towards Specified Category Registration
- R-05-CHE-PE/PT/PN: Discipline-specific Training Guide for Registration as a Professional Engineer, Technologist or Technician in Chemical Engineering
- R-05-IND-PE/PT/PN: Discipline-specific Training Guide for Registration as a Professional Engineer, Technologist and Technician in Industrial Engineering
- R-05-MIN-PE/PT/PN: Discipline-specific Training Guide for Registration as a Professional Engineer, Technologist, and Technician in Mining Engineering
- R-05-MET-PE/PT/PN: Discipline-specific Training Guide for Registration as a Professional Engineer, Technologist and Technician in Metallurgical Engineering
- R-05-TRONIC-PE/PT/PN: Discipline-specific Training Guide for Registration as a Professional Engineer, Technologist, and Technician in Mechatronic Engineering
- RPL-01-POL: Recognition of Prior Learning Policy

The Discipline-Specific Training Guides (DSTGs) for each Registration category were combined. These new instruments are now titled "Discipline-Specific Training Guide for Registration as a Professional Engineer, Technologist, and Technician," encompassing all three categories of professional registration as per different discipline as listed above in Figure 18.

4.3 RESEARCH AND KNOWLEDGE MANAGEMENT

The Engineering Council of South Africa, in line with the statutory mandate as outlined in Section 14(f) of the Engineering Profession Act (Act No. 46 of 2000), is required to promote and conduct research into matters relating to the engineering profession. In fulfilment of this obligation, ECSA has embarked on various research undertakings aimed at aligning the profession with emerging trends and sectoral demands. In addition to the ECSA research mandate, the Council recognises the strategic importance of Knowledge Management in advancing its organisational effectiveness and preserving institutional memory. As a statutory body responsible for upholding the standard of the engineering profession, ECSA is committed to ensuring that critical knowledge is captured, organised, and shared across all divisions and stakeholders. The following activities have been conducted in respect to research and knowledge management.

4.3.1 Research

Research activities are conducted to ensure an informed organisational decision, to provide guidance on policy and standards and to be responsive to the dynamic and evolving landscape of engineering. For these reasons, ECSA has conducted several key research projects, including but not limited to:

- Various feasibility studies
- The Role of ECSA in Addressing Climate Change
- Introduction of an Examination System (International Benchmarking)
- How ECSA Can Enhance Its Relevance to the Mining Sector
- ECSA's Contribution to Resolving the Electricity Crisis in South Africa.

These research initiatives underscore ECSA's commitment to evidence-based decision-making, sectoral innovation, and the continuous advancement of the engineering profession in South Africa.

4.3.1.1 Feasibility Studies

The following feasibility studies were conducted to address sector-specific demands:

a) Feasibility Study for the Introduction of a New Discipline: Maritime Engineering

The broad purpose of the discipline of maritime engineering is the design and technical responsibility for the construction and maintenance of ships, boats, other marine vessels, and offshore structures, which could be civil or military. This includes assessing requirements, producing detailed designs, negotiating budgets, implementing test procedures, providing technical advice to ensure compliance with maritime standards and communicating effectively with all stakeholders.

b) Feasibility Study for the Introduction of an Engineering Discipline: Biomedical/Clinical Engineering (Phase 2 - Stakeholder Consultation)

The feasibility study report was finalised during the 2023/24 fiscal year. However, due to the multidisciplinary nature of biomedical engineering, consultations with the Health Professions Council of South Africa (HPCSA) were deemed necessary prior to approval by ECSA. The HPCSA has endorsed ECSA's plan to introduce biomedical engineering as a new standalone discipline.

c) Feasibility Study for the Introduction of a New Specified Category: Railway Specialist

Railway engineering (Specialist) is a specialised branch of civil engineering focused on the design, construction, operation, and maintenance of railway systems and infrastructure. This includes tracks, bridges, tunnels, stations, signalling, and other essential components for safe and efficient train movement. It is about creating and maintaining the infrastructure that allows trains to travel reliably and safely.

4.3.1.2 Research Reports

a) Research Report on the Role of ECSA in Addressing Climate Change

Climate change presents an urgent and complex challenge for South Africa, with far-reaching impacts on infrastructure, economic stability, and environmental sustainability. This research report explores the role of ECSA in mitigating and adapting to climate change, highlighting the responsibilities of engineering professionals in addressing climate-related risks. Drawing from international best practices, the report identifies strategic interventions that ECSA can implement, including policy advocacy, training initiatives, regulatory enhancements, and the integration of climate-conscious engineering standards.

A survey conducted among ECSA-registered professionals reveals a strong consensus on the need for ECSA to play a leading role in climate action. Key findings indicate a lack of formal climate change training among engineering professionals, limited engagement in mitigation and adaptation projects, and a need for regulatory reforms to align engineering practices with sustainability goals. Respondents identified priority areas for ECSA's intervention, including the mining, agricultural, civil, and chemical engineering sectors.

The report concludes that ECSA must take decisive action to embed climate resilience within the engineering profession. Recommendations include facilitating professional training and development, establishing climate-responsive engineering standards, promoting sustainable infrastructure design and fostering collaboration with government and industry stakeholders. By integrating climate action into its regulatory framework, ECSA can empower engineering professionals to drive sustainable solutions and strengthen South Africa's resilience to climate change.

b) Feasibility Study for the Introduction of an Examination System (International Benchmarking)

In response to the evolving landscape of engineering and the increasing demand for skilled professionals, the ECSA commissioned this research to explore the feasibility and benefits of transitioning to an examination-based assessment system. The study draws insights from engagements with local professional bodies and international counterparts to inform recommendations for ECSA's registration process.

The research highlights the importance of adopting an enhanced examination system to ensure standardised evaluation criteria across ECSA's diverse professional categories. By leveraging technological advancements, such as online examination platforms and electronic proctoring systems, ECSA can streamline administrative processes, reduce bias in registration evaluations and enhance the integrity of the assessment process.

Key findings underscore the feasibility of implementing an examination system, with recommendations suggesting a phased approach to implementation to mitigate potential challenges and ensure successful adoption. This approach includes investing in technological infrastructure, establishing multidisciplinary teams for exam development and integrating external evaluation mechanisms to ensure objectivity and quality assurance.

Furthermore, the transition to online examinations offers opportunities for cost savings, environmental sustainability and increased accessibility for applicants. By embracing these recommendations, ECSA can modernise its registration process, strengthen the credibility of registered professionals and uphold competency and integrity within the engineering profession.

c) How can ECSA be Relevant to the Mining Sector

ECSA plays a crucial role in maintaining the competency, professionalism, and ethical standards of engineering practitioners, including those within the mining sector. This report assesses ECSA's relevance to the mining industry by evaluating current challenges, identifying opportunities, and proposing strategic initiatives to enhance its impact. Mining engineers in South Africa are well-qualified. However, a significant skills gap remains in emerging technologies, regulatory compliance, and advanced engineering competencies. This gap affects the ability of engineering professionals to adapt to industry changes and maintain high safety and operational standards.

The mining sector faces several challenges that impact engineering professionals. Regulatory complexities and inconsistencies create difficulties in compliance, often exacerbated by the financial burden of Continuing Professional Development (CPD) fees. Additionally, the decline in technical skills, especially among new entrants, raises safety concerns and affects operational efficiency. Furthermore, ECSA's engagement with key stakeholders in the mining industry has been perceived as limited, reducing its ability to drive meaningful regulatory and professional development initiatives. To enhance its role, ECSA must focus on strengthening professional development by addressing training gaps in artificial intelligence, automation, sustainability, and safety innovations. The introduction of a quarterly or biannual technical publication would facilitate knowledge dissemination by providing insights into industry trends, best practices, and regulatory updates. Additionally, increasing visibility and advocacy through active participation in industry events and stakeholder engagements would reinforce ECSA's role as a leading regulatory body.

Several strategic recommendations have been identified to enhance ECSA's relevance in the mining sector. Collaborating with mining companies, voluntary associations, and academic institutions to develop targeted training programs is essential. Regulatory compliance should be streamlined to align with the mining industry requirements, reducing professionals' complexity. Expanding access to CPD opportunities through flexible, cost-effective options, including online training and industry-specific recognition, would further support professionals in meeting regulatory requirements. Strengthening ECSA's presence at key mining conferences, technical forums, and policy discussions would ensure greater industry engagement. Additionally, the establishment of a dedicated technical magazine or journal featuring emerging technologies, case studies, and expert insights would provide valuable knowledge-sharing resources. To uphold professional integrity, ECSA must also implement more robust monitoring and enforcement mechanisms to deter fraudulent practices and reinforce ethical standards.

4.3.1.2 Research Reports (Continued)

d) ECSA's Contribution to Resolving the Electricity Crisis in South Africa

This research explores the vital role of the ECSA in addressing the country's energy challenges. It highlights ECSA's responsibility in aligning engineering skills with evolving energy sector demands through skills assessment, ethical standards, and the adoption of future technologies. The study identifies critical skills shortages - particularly in renewable energy, smart grids, and sustainability, and calls for targeted training and continuous professional development.

ECSA is seen as central to fostering collaboration between academia, industry, and government, and using its regulatory authority to promote innovation and enforce standards. The research recommends that ECSA, support research partnerships, and leverage retired engineering professionals as mentors. Ultimately, ECSA is positioned to lead systemic change in the energy sector through skill development, ethical leadership, and forward-thinking practices.

e) The Impact of Guideline Professional Fees: A Case of ECSA Guideline Professional Fees

This report examines the impact of ECSA guideline professional fees on the engineering sector, with a focus on their application, effect on pricing practices and alignment with current market conditions. A mixed-method approach was employed, combining quantitative and qualitative survey data to assess the impact of the guideline professional fees on engineering consultants and their clients.

The study had several key objectives. It aimed to explore the factors influencing the determination of professional fees, particularly in relation to the South African Competition Act, 89 of 1988. It also sought to assess how widely professionals rely on ECSA's guideline fees in their pricing decisions and how these fees influence negotiations with clients. Another objective was to evaluate the potential for adopting a more open, market-based approach to fee determination and compare current fee-setting practices with those in local and international contexts. Additionally, the study explored the recourse available to clients when fees are based on these guidelines and examined how other built environment councils determine and update their fees.

The findings indicate that most professionals continue to use ECSA's 2021 guideline fees as a baseline for pricing their services. However, many professionals adjust these fees based on factors such as project complexity and prevailing economic conditions. While most respondents rated the guidelines as "good" for promoting fair pricing, concerns were raised regarding discounting practices and the guidelines' occasional misalignment with real-world market conditions. Key factors driving fee adjustments included market conditions, project complexity and client expectations.

The report makes several recommendations. First, it suggests that ECSA should update the fee guidelines annually to account for inflation and evolving market conditions since the last update in 2021. Second, the development of a fee-calculation tool is recommended to assist professionals in effectively applying the guideline fees. Third, it highlights the need for enhanced client education to improve understanding of the guideline fees and the value they offer in ensuring fair pricing. Finally, the guidelines should provide more detailed recommendations for pricing complex projects to better reflect the scope and challenges involved.

f) Guidelines for the Recognition of Multidisciplinary Engineering

Multi-disciplinarity refers to different disciplines coming together, each drawing on their disciplinary knowledge, thus providing a different perspective on the problem or issue, juxtaposing, and fostering wider knowledge, information, and methods. The disciplines complement each other, but remain separate, disciplinary elements retain their original identity, and the existing structure of knowledge is not questioned.

The guidelines outline the rationale for recognising multidisciplinary engineering, emphasising its role in fostering innovation, addressing contemporary challenges and enabling more comprehensive and collaborative problem-solving. Key principles include the establishment of robust criteria for the assessment of qualifications, competencies, and work experience that span multiple engineering domains. These principles ensure alignment with ECSA's commitment to maintaining high professional standards while adapting to industry trends.

The registration process of each of the fourteen countries was examined to identify the criteria used for assessing multidisciplinary work and pathways for recognition of multidisciplinary engineering practitioners. These were then compared to the IEA benchmarks and ECSA's own practices.

4.3.2 Knowledge Management

ECSA’s Knowledge Management (KM) strategy is grounded in the principles of collaboration, accessibility, and sustainability and is aligned with ECSA's overarching mission to ensure excellence in engineering practice.

a) The strategy comprises four interconnected components:

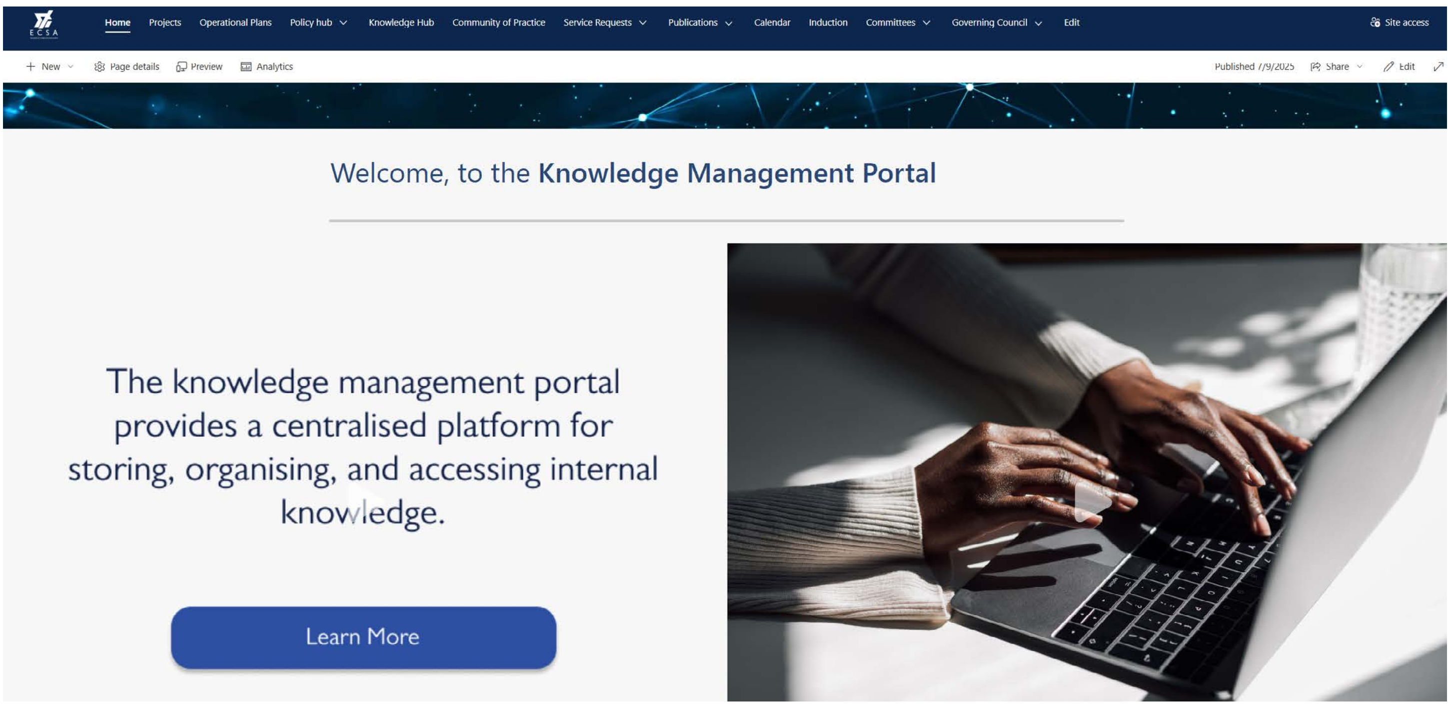
- **KM Policy:** Establishes the vision, goals, and guiding principles for knowledge management within ECSA. It defines the organisation's commitment to creating and sustaining an environment where knowledge is valued as a strategic asset.
- **KM Framework:** Provides the structural approach for implementing the KM policy, detailing the processes, tools, and roles necessary to manage knowledge effectively. The framework ensures that knowledge creation, storage, sharing, and application are seamlessly integrated into ECSA's operations.
- **Implementation Plan:** Details the actionable steps required to operationalise the KM policy and framework. This plan outlines specific activities, timelines, responsibilities, and resources needed to achieve the strategy's objectives.
- **KM Metrics:** Defines the key performance indicators (KPIs) and evaluation mechanisms that will measure the success of the KM strategy. These metrics will enable ECSA to monitor progress, identify areas for improvement, and ensure continuous alignment with organisational goals.

b) Knowledge Management Portal

The ECSA Knowledge Management Portal is a digital platform developed by the Research and Knowledge Management Business Unit to support the efficient management, sharing, and retention of institutional knowledge across the organisation. It serves as a central repository where ECSA staff can access relevant documents, policies, procedures, reports, guidelines, and best practices.

Key purposes of the ECSA KM Portal:

- Facilitate knowledge sharing among internal divisions.
- Preserve institutional memory to reduce knowledge loss due to staff turnover or retirement.
- Improve decision-making by providing easy access to accurate, up-to-date information.
- Support learning and development through access to training materials, lessons learned, and technical resources.
- Enhance collaboration by enabling cross-functional teams to contribute and retrieve information in real time.



5. PROGRAMME FIVE

5.1 REGULATE & ASSURE DEFINITIONS & FEES FOR ENGINEERING WORK

5.1.1 Identification of Engineering Work

The Engineering Profession Act, Act 46 of 2000, serves as the cornerstone for the recognition and regulation of Voluntary Associations within the engineering sector. Sections 25 and 36 of the Act outline the legal framework and requirements for VAs to gain formal recognition from ECSA. The ECSA Recognition Framework highlights key objectives and future directions for VAs in promoting the engineering profession in a multiplicity of strategic areas, including the identification of engineering work and the enforcement thereof and ensuring compliance with regulatory standards.

Furthermore, the Identification of Engineering Work Rules have undergone significant review and refinement. This initiative, spearheaded by the Engineering Council of South Africa aims to ensure clarity, consistency, and inclusivity in the application of engineering work standards throughout the engineering profession and to safeguard, protect and promote healthy and safe environments in the delivery of engineering services by all engineering professionals. The draft IDoEW Rules were disseminated for extensive consultation, reaching all sister councils and stakeholders within the engineering community. A webinar was hosted to present the draft rules which underscored the importance of stakeholder engagement in shaping a robust regulatory framework and to consult them on regulatory instruments which will impact them. This release marks a critical step towards the professionalisation of the engineering sector, the enhancement of professional standards and fostering of alignment across the engineering sector.

Figure 17: Reviewed Rules

RULES

- Identification of Engineering Work (IDoEW) Rule
- Requirements for Recognition as a Voluntary Association Framework

5.1.2 Stakeholder Consultations

ECSA engaged diverse stakeholders, including voluntary associations, government departments, state-owned enterprises (SOEs), private companies, and municipalities.

Notable outcomes:

- Development of compliance plans by stakeholders to align with IDoEW regulations.
- Bilateral/multilateral meetings with the built environment councils, including the Environmental Assessment Practitioners Association of South Africa **(EAPASA)** and the South African Council for Natural Scientific Professions **(SACNASP)**, to address overlaps.

5.1.3 Provincial Roadshows

- Roadshows were conducted across all nine provinces to educate stakeholders on IDoEW.
- Strong participation from municipalities, SMEs, and universities (e.g., UFS Bloemfontein, UKZN Durban).
- Interactive sessions improved understanding of ECSA's regulatory role and compliance requirements.

The IDoEW consultations underscored ECSA's commitment to engineering excellence through collaborative regulation. By addressing stakeholder concerns, clarifying roles, and expanding outreach, ECSA has laid a robust foundation for future compliance and industry growth. The lessons and recommendations from this period will guide ongoing efforts to refine the IDoEW framework and strengthen South Africa's engineering profession.

The following section is a depiction of the consultation sessions which have been conducted for the period 2024/25, which has been compared with the consultation conducted in the year 2023/24 to show a year-on-year upward trajectory in the quantum of consultation sessions and additional roadshows conducted during the same period.

5.1.3 Provincial Roadshows (*Continued*)

Figure 18: Stakeholder Consultations on IDOEW

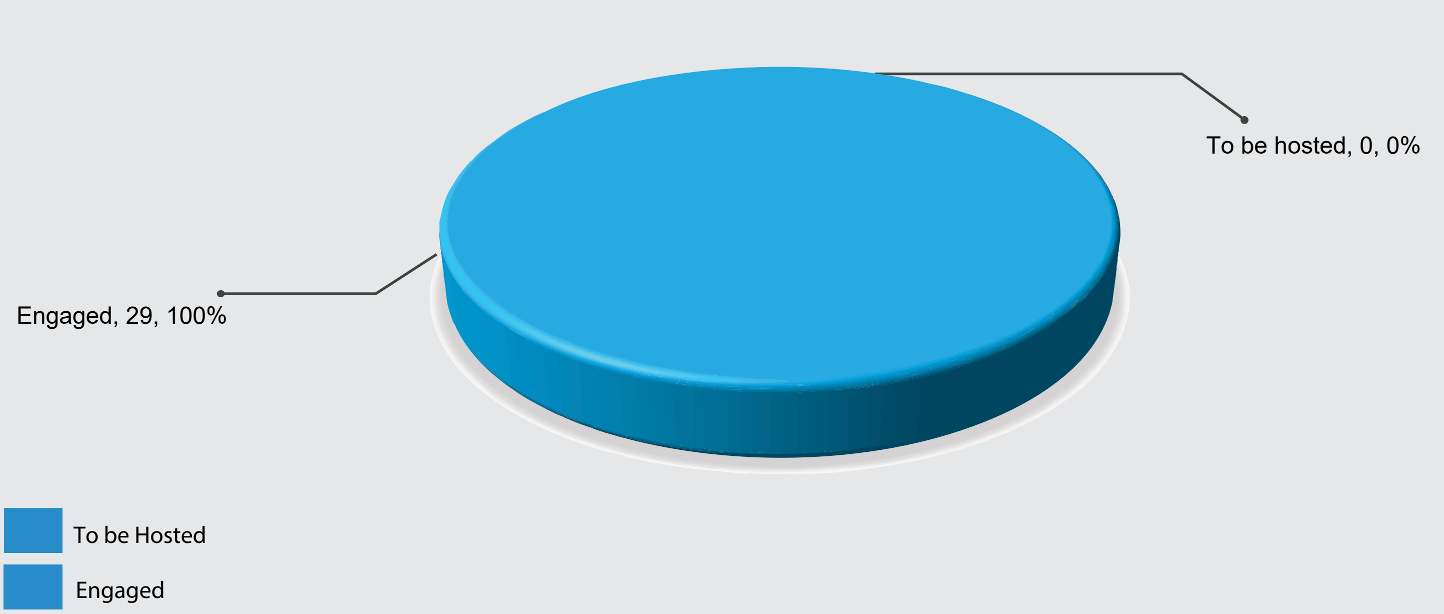
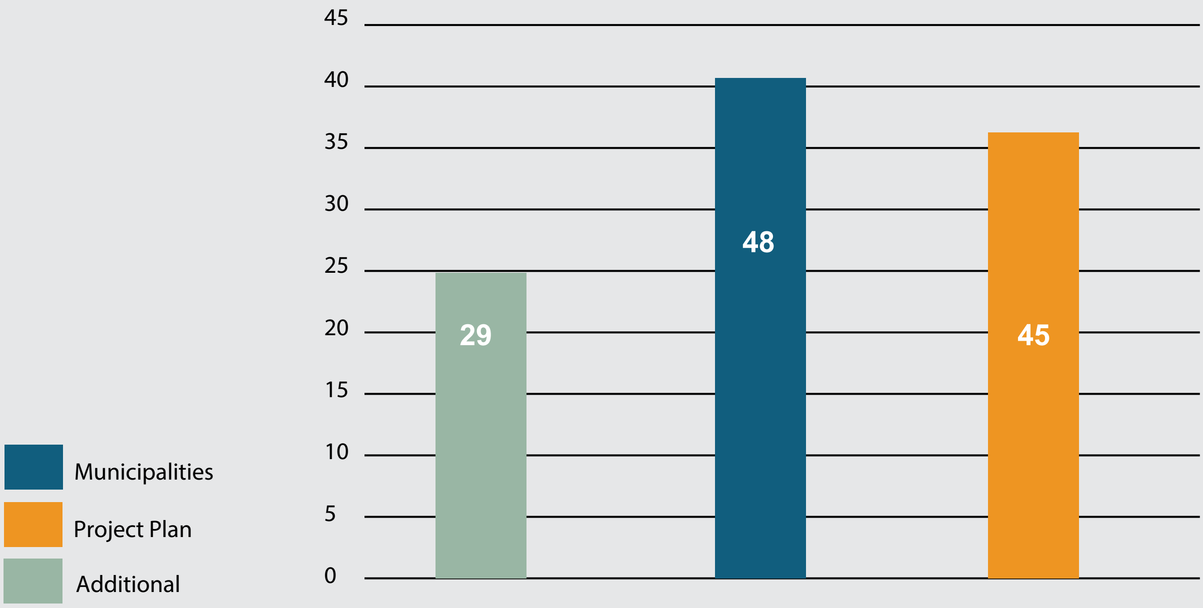


Figure 19: Overall IDOEW Consultations



5.1.4 Professional Guideline Fees

The Engineering Council of South Africa has achieved a major victory in reaching an agreement with the Competition Commission of South Africa (CCSA) to publish the Professional Guideline Fees (PGF). This agreement marks a pivotal step in fulfilling the ECSA mandate as outlined in section 34 of the Engineering Profession Act.

This achievement reflects the unwavering dedication of ECSA in the execution of its legislated mandate and commitment to advancing the engineering profession through collaborative governance and stakeholder engagement. As ECSA moves forward with the publication and implementation of the PGF, the focus will remain on fostering excellence, inclusivity, and adherence to regulatory standards. This milestone underscores ECSA's role in shaping a sustainable and equitable future for the engineering sector in South Africa.

5.2 INTERNATIONAL RELATIONS

5.2.1 ECSA Mentorship Programme

The year under review saw the acceleration of the Engineering Council of South Africa`s relations with strategic international stakeholders. This was done through the long-standing International Relations obligations of spearheading the Mentorship Initiative Programme, which seeks to capacitate countries in the SADC and the African Continent to become full members of the International Engineering Alliance and the constituent Accords, i.e., Washington (for Engineers), Sydney (for Technologists) and Dublin (For Technicians) Accords, as well as to be authorised members of the Competency Agreements, i.e., International Professional Engineers Agreement (IPEA), International Professional Technologists Agreements (IETA) and Agreement for International Engineering Technicians (AIET). This initiative aims to help African countries and their respective engineering programmes and qualifications and engineering competencies to be recognised internationally by other signatories of the International Engineering Alliance globally.

This initiative is underpinned by the signed Memorandum of Understanding (MoU) between ECSA and all countries being mentored and the designation of resolute mentors to provide customised mentorship. One of the key achievements during this fiscal year was the review and renewal of MoUs with all three mentees, i.e., Mauritius, Zambia and Botswana. The other achievement was the admission of Mauritius as the provisional member of the Washington Accord. The capacitation of these countries is at various stages, with Mauritius starting its second phase of mentorship after becoming the first country on the programme to be accepted as a provisional signatory to the Washington Accord of the IEA.

Building on this immense progress in fulfilling the primary goal, ECSA is determined to work closely with Zambia and Botswana to also conclude their activities during the 2025/26 fiscal year. The successful implementation of this initiative will, in return, increase easy mobility of engineers on the African continent.

5.2.2 International Engineering Bodies

During the year under review, ECSA continued to maintain its affiliation with the International Engineering Alliance, remaining a signatory to all three IEA Educational Accords, which provide for the mutual recognition of tertiary engineering, technologists and technician qualifications. ECSA continued its affiliation, membership and recognition in the three competency agreements, which provide for the mutual recognition of respective competency standards and associated competencies. The Accords and Agreements are vital to ECSA in developing and maintaining authoritative, independent international standards for engineering education and competence and promoting wider recognition of ECSA-registered persons. They are also ECSA-established mechanisms for the mobility of engineering practitioners globally across all countries party to the accords and agreements.

ECSA continued to play strategic roles in other strategic international relationships by maintaining its status as a key member of the World Federation of Engineering Organisations (WFEO). The African continent continued to be a member of the Federation of African Engineering Organisations (FAEO) and, at a regional level, continued to maintain its status of recognition by and membership of the Southern African Federation of Engineering Organisations (SAFEO). To allow a well-coordinated approach when engaging in these international bodies, the Council has approved the International Relations Framework and Policy, which will remain a guide tool when engaging with international stakeholders and in running international relations functions.

Despite the above international bodies, ECSA has joined the Commonwealth Engineers Council, which is a forum of international engineers to discuss issues of common and mutual interests, but programmes associated with the latter are still to be outlined, in which ECSA will fully take part in its technical activities.

5.2.2.1 World Federation of Engineering Organisation (WFEO)

ECSA has participated in the UNESCO WFEO World Engineering activities for sustainable development initiatives, which took place in France in March 2025. Significant milestones achieved with this participation were engagements with international engineering organisations, fostering of international partnerships and the assistance of all countries to achieve sustainable development goals. A need was identified to build climate-resilient infrastructure, to power cities, and to reduce carbon emissions internationally.

At the same time, a clarion call was made for all countries to fast-track the achievement of the Sustainable Development Goals through structured programmes. It is for this reason that South Africa, through ECSA in partnership with the South African Institution of Civil Engineers (SAICE), presented an infrastructure report card initiative to link the achievement of the United Nations Sustainable Development Goals to the conditions of infrastructure, and through that, ECSA urged countries of the world party to WFEO to support the re-establishment of a Standing Technical Committee for infrastructure reporting to be hosted by South Africa and supported by SAICE.

South Africa wants to capitalise on the knowledge of working on and producing Infrastructure Report Cards in the past and continue the work that was begun by the WFEO Working Group in this regard through a permanent Standing Technical Committee (STC), which ECSA proposed for establishment under WFEO. The latter received a warm reception from the WFEO member states and was approved in principle with a request for a more detailed submission to be made and presented in the WFEO general assembly in October, due to take place in China.

5.2.2.2 Federation of African Engineering Organisations (FAEO)

The 6th Term President of the Engineering Council of South Africa Ms. Refilwe Buthelezi Pr Eng was officially inaugurated as the president of the Federation of African Engineering Organisations FAEO to run the continental body for a period of two years. This momentous honour cemented the important role that ECSA plays with the engineering continental bodies and is a notable achievement for the country and engineering fraternity in Africa, as it envisions a future where engineering is used to achieve sustainable development goals and improve the quality of life in Africa. The FAEO President will prioritise the implementation of the recently adopted Africa Continental Free Trade Area (AfCFTA) strategy facilitate the free movement of goods and services within the continent.

5.2.3 Capacity Building of Registered Persons on International Activities

Over the years, ECSA has participated in international relations activities by affiliating with various international organisations. This has been done through the nomination of both internal and external engineering experts. One such organisation is the International Engineering Alliance, in which ECSA participates by forming part of the international mandatory reviews and conducting audits of other countries as part of compliance with IEA requirements.

ECSA has further participated in the working groups as established from time to time by the Federation of African Engineering Organisations and in Standing Technical Committees as established by the World Federation of Engineering Organisations from time to time. These structures ensure ECSA's continued involvement and contribution to international mainstream engineering developments.

For the purposes of business continuity and capacity building to grow the database of the ECSA representatives that can be trained to participate in the International Reviews, working groups and Standing Technical Committees and other related activities, ECSA trained qualified Registered Persons who are now included in the existing database of the IEA Reviews and other activities. The trained experts are now part of the ECSA database of subject matter experts to be used in different International Engineering Alliance, SAFEO, FAEO and WFEO activities and any other international relations deployments.

5.2.4 SADC Mutual Recognition Agreement

ECSA participated in several regional consultations on the development of mutual recognition agreements for the engineering profession in the SADC region. The series of these consultations emanated from the clarion call made by SADC Heads of States, who called for the strengthening of SADC's regional integration agenda and fast-tracking the implementation of all the pillars of the Regional Indicative Strategic Development Plan (RISDP) 2020-2030, which calls for the harmonised professional standards and a professionalised region where different professionals can practise anywhere in the region with no restriction on nationality.

The primary aim of the MRA is to establish conditions under which an engineering practitioner, candidate, or graduates from the SADC region may have their qualifications recognised and be eligible to practice in another member state. ECSA is currently making its inputs on the draft MRA, which will then culminate in a national position on the development of the MRA.

5.2.5 ECSA’s participation in the IEA Peer Reviews

ECSA remained committed and supportive of the work of the International Engineering Alliance through its deployment of Registered Persons peer reviews of other international signatories to the Accords and Agreements reviews of the IEA member states. ECSA has participated in the Member Country periodic reviews of Russia, New Zealand, Canada, South Korea and Turkey. This is part of the obligation to be undertaken by the IEA signatories to make sure that they stay on par with the IEA standards and procedures.

5.2.6 IEA Graduate Attributes

During the 2024/25 fiscal year, ECSA has successfully completed phase one of the alignment of the IEA Graduate Attributes and Professional Competencies version 4 for the international benchmark of the Accords and the Competency Agreements, respectively. This was to adhere to a directive from the IEA to signatories of the Accords and Competency Agreements to start the process of aligning the 2021 GAPC’s changes. Consultations with the higher education institutions were convened to alert them of the changes and request that they start the alignment process. HEIs have now developed an implementation plan for these alignments, and they are to start the implementation during the coming reporting year. This alignment will ensure that engineering programmes stay in par with the international benchmark as prescribed by the IEA.

5.2.7 IEA Periodic Review of ECSA's Washington Accord

The IEA reviewed ECSA's accreditation process for Washington Accord programs from April to December 2024, adhering to the Accord's review provisions. The team of international reviewers who visited ECSA comprised the representatives of Singapore, Pakistan and the United Kingdom. The review team observed accreditation visits at the University of KwaZulu-Natal and the Independent Institute of Education MSA and concluded their review report, which is to be presented at the IEA meeting to take place in June 2025 in Mexico.

6. PROGRAMME SIX

6.1 RECOGNISE & AUDIT VOLUNTARY ASSOCIATIONS, LICENSING BODIES & VERIFY SERVICE PROVIDERS

Voluntary Association apply for recognition under Section 36(1) and are recognised by the Council under Section 25(3) of the EPA. The Council offers recognition for a period of 5 years, after which the VA must apply to ECSA for re-recognition. VAs are recognised as one of ECSA's primary stakeholder groups, as they promote and protect the engineering profession at the core of their missions. ECSA values VA engagement, and the 2024/25 fiscal year has seen a renewed focus engaging and collaborating with VAs on various matters of importance.

ECSA VAs according to the following categories:

Category A	Category B
Associations whose membership consists of natural persons who, subject to the applicable provisions of Rule 3, are practising in engineering in any discipline or sub-discipline of engineering or in any category of registration contemplated in Section 18 of the Act.	Associations whose membership consists 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 persons of being members of Recognised VAs (Categories A and B) is a discount on ECSA annual fees and 1 CPD Credit per annum.

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

Link: Recognised VAs'

This programme consists of two (2) sub-programmes:

- Recognition of Voluntary Associations
- Revision of the Voluntary Association recognition Framework.
- Recognition and Auditing of Licensed Bodies
- Verification of CPD Service Providers

6.1.1 Recognition and Auditing of Voluntary Associations

ECSA currently recognises 50 VAs. The total number of recognised Voluntary Associations decreased to fifty (50) following the receipt of no responses for re-recognition from the South African Black Technical and Allied Careers Organisation (SABTACO). ECSA is processing an application for re-recognition for the Institute of Waste Management of Southern Africa (IWMSA). Two (2) new applications for recognition are also being processed, from the Engineering League of Progress (ELP) and the South African Institute of Irrigation (SABI).

Twenty (20) of the fifty (50) VAs have been re-recognised during the 2024-25 fiscal year.

ECSA continues to engage with current and new applications for recognition of Voluntary Associations that meet the requirements as per the VA Recognition Framework.

Table 10: CPD and VA Stakeholder Engagement

Total CPD Stakeholders (VAS & HEIs)		Recognised Voluntary Associations	
VAs	50	Category A	27
HEIs	8	Category B	23
TOTAL	**58**	**50**	

6.1.1 Recognition and Auditing of Voluntary Associations *(Continued)*

The auditing of Voluntary Associations as per Section 6(4) and 8(2) of the gazetted Rules for the Recognition of Voluntary Associations is optional, and ECSA reserves the right to conduct these audits on receipt of an application for recognition or when the recognised Voluntary Association no longer meets the requirements for recognition.

6.1.2 Rules: Requirements for Recognition as a Voluntary Association Framework

During the 2024/25 fiscal year, a review of the Requirements for Recognition as a Voluntary Association was concluded and the Rules for approval during the 2025/26 Q1 Governing Council Meeting

6.1.3 Recognition and Auditing of Licensed Bodies

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

The number of Recognised Licensed Bodies increased to forty-five (45) during the financial year 2024/25, with the added recognition of the Institute for Work at Height (IWH).

Table 11: CPD and VA Stakeholder Engagement (Recognition of Licensed Bodies)

Recognised Licensed Bodies	
VAs	37
HEIs	8
TOTAL	**45**

ECSA recognises the capacity constraints experienced by some VAs in implementing the CPD standard and remains committed to supporting these stakeholders through continuous training, guidance, and capacity-building initiatives.

The eight licensed bodies that were re-recognised during 2024/25 are:

- The Institution of Certificated Mechanical and Electrical Engineers, South Africa (ICMEESA)
- Association of Municipal Electricity Utilities (AMEU)
- Consulting Engineers South Africa (CESA)
- International Council on Systems Engineering - SA Chapter (INCOSE)
- Lifting Equipment Engineering Association of South Africa (LEEASA)
- South African Federation of Healthcare Engineering (SAFHE)
- The South African National Committee on Large Dams (SANCOLD)
- The Society for Asphalt Technology (SOCSAT)

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

https://www.ecsa.co.za/cpd/MaintainReg/LB_Website%20Publication.xlsx.pdf

6.1.4 Auditing of Recognised Licensed Bodies

ECSA 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 Registration Committee (RC), a high-impact committee of the Council, is responsible for decision-making regarding auditing of these bodies. The Governing Council has delegated this authority to the RC to grant recognition, verification, and validation for a defined period. In addition, the RC 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 RC to withhold recognition, verification, and/or validation from the relevant bodies or to withdraw recognition, verification, and/or validation from existing bodies.

Recognised Licensed Bodies Audited (2024/25):

- Illumination Engineering Society of South Africa (IESSA)
- South African Road Federation (SARF)
- Institute for Work at Height (IWH)
- Institute of Electrical and Electronics Engineers South African Section (IEEE SA)
- University of the Witwatersrand (Wits)
- Water Institute of South Africa (WISA)
- Tshwane University of Technology (TUT)

6.1.5 Verified CPD Service Providers

Verified CPD Service Providers comprise of 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.

Recognised 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 are 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; the CPD Service Provider remains accountable for delivering the validated activities.

The number of verified CPD Service Providers decreased to 40 (43 in 2023/24), with inability to implement the CPD Standard indicated as a reason.

Table 12: CPD and VA Stakeholder Engagement (Verified CPD Service Providers)

Total Cpd Stakeholders (VAS & HEIS)		Verified CPD Service Providers		Target	Actual Achieved
VAs	50	VA	33	4	40
HEIs	8	HEI	7		
TOTAL	**58**	**40**			

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

- Aeronautical Society of South Africa (AeSSA)
- Association of Municipal Electricity Utilities (AMEU)
- Finance and Asset Management Consultants (FAMC)
- Institution of Certificated Mechanical and Electrical Engineers, South Africa (ICMEESA)
- Institute of Timber Construction South Africa (ITC SA)
- Society of Automation, Instrumentation, Mechatronics and Control (SAIMC)
- South African Flameproof Association (SAFA)
- Stellenbosch University (SU)
- South African Institute of Industrial Engineers (SAIIE)
- South African Institute of Marine Engineers and Naval Architects (SAIMENA)
- University of Cape Town (UCT)
- University of Pretoria (UP)

7. PROGRAMME SEVEN

7.1 INFORMATION COMMUNICATION TECHNOLOGY

The Information Communication Technology Business Unit continues to play a critical enabling role in supporting ECSA's strategic transformation. During the 2024/25 fiscal year, the business unit focused on advancing the 2020–2025 strategic plan while laying the digital foundations for the next planning horizon. Key thrusts included (i) completing the first enterprise-wide Business Process Re-engineering (BPR) exercise, (ii) modernising the Customer Relationship Management (CRM) platform, and (iii) strengthening data management, governance, and cybersecurity practices.

These initiatives contributed to significant advancements in digital modernisation and internal systems restructuring, all delivered in alignment with the Engineering Profession Act and the Corporate Governance of ICT Charter.

7.1.1 Business Process Improvement Objectives

The ICT mandate has focused on embedding digital capabilities across the organisation while supporting internal process owners in identifying and streamlining critical workflows.

The following key objectives were targeted for the Business Process Improvement Project:

- Improve efficiency, accountability, and service delivery.
- Digitise high-volume processes, including re-registration and CPD tracking.
- Strengthen the government of ICT and related data flows.
- Enable transparent, user-driven service channels through digital platforms

Aligned to this, the following interventions were achieved:

- **Data Management Strategy:** Foundational data governance practices were developed and implemented. significantly improving data integrity.
- **ICT Governance:** The ICT Strategy and Corporate Governance Charter were reviewed and aligned with
- broader corporate governance expectations.
- **Policy Modernisation:** Core ICT and data management policies were reviewed and updated to support the Council's strategic direction.

Customer Relationship Management Renovation Project

7.1.2 The CRM renovation is ECSA's flagship digital transformation initiative, with two phases:

Phase 1 (one) was successfully deployed on 31 March 2025, with the new portal launched for registration and CPD-related processes

The enhanced Self Service Portal **enables** applicants to submit documentation and drawings and track progress through their personal profile. For registered persons, the portal mandates profile updates to ensure accurate contact information is reflected on the **new digital registration certificate.**

Phase 2 (two) will be deployed in the financial year, with additional functionalities and modules to address the functions performed by the Engineering Council of South Africa as required and mandated by the Act.

Table 13: CRM Renovation Project Update

Phase	Description	Status
Phase 1	Registration, CPD, Finance, and Portal Renovation	Deployed 31 March 2025
Phase 2	Further automation, integration with external entities, and implementation of the remaining scope, and audit enhancements	Go Live for phase - Q2 of 2025/26 fiscal year

Other Deployments

- Portal & Data Integrity: The platform now allows real-time updates to user profiles, with system-enforced validation rules to reduce future data inaccuracies.
- Digital Certificate: ECSA has introduced a digitally secured, redacted-format registration certificate, populated from verified portal data. The certificate will be launched in the new financial year
- ERP Integration Planning: ERP integration planning has commenced, with the finance and HR teams aligned to future delivery schedules.

Strategic Outlook and Efficiency Improvements

As ECSA embarks on implementing the 2025-2030 Strategic Plan, the ICT function will also be aligning the ICT Strategy to ensure it remains the central transformation enabler delivering modern, secure systems that serve both internal and external stakeholders.

Digital self-service channels will now form the foundation of user engagement, reduce manual intervention and improve turnaround time.

This shift, however, will require the following interventions to ensure improvement on the efficiencies:

- Early detection of system challenges – to ensure stakeholders have a seamless experience on systems
- Capacity Building – Strengthening the capacity of the ICT function through closing open vacancies and training to enhance the skills of the ICT team
- Interdepartmental Cooperation – Improve collaboration with internal stakeholders through constant engagement and result-driven processes.

7.2 BUSINESS PROCESS RE-ENGINEERING

The Business Process Re-Engineering (BPR) project undertaken aimed at analysing, redesigning, and optimising existing business processes to enhance efficiency, effectiveness, and strategic alignment. This initiative was vital for modernising operations and aligning them with organisational objectives.

7.2.1 BPR Goals and Objectives

The key goals of the BPR initiative included reducing operational costs, increasing customer satisfaction, enhancing agility, driving innovation, and improving decision-making through data-driven insights. Additional goals were to align processes with strategic goals and improve employee satisfaction via better user experiences.

7.2.2 Main Activities and Deliverables

The BPR project involved three main activities

- **Process Assessment –** Identifying and optimising value-adding processes while eliminating obsolete tasks.
- **Technology Assessment –** Evaluating current systems and recommending an efficient ERP solution.
- **Change Management Support –** Developing training programs and change adoption plans.

Key deliverables included

- ERP System Recommendations (12 platforms evaluated)
- Cost-Benefit Analysis
- Documented Policies, Procedures, and Processes
- A Change Management Plan
- As-Is and Future State Process Maps
- Standard Operating Procedures (SOPs)

7.2.3 BPR Goals and Objectives

Key challenges faced included data quality issues, resource constraints, integration complexities, and the need for consistent performance management. Inaccurate data posed risks to analysis, and resistance to change impacted timelines.

7.2.4 Mitigation Strategies

To address challenges, the following strategies were implemented:

- Active stakeholder engagement and communication plans.
- Data cleansing and validation.
- Phased ERP implementation.
- Early resource allocation and planning.

7.2.5 Project Status Snapshot

Key Activities Completed:

- Analysis of ECSA Policy and Process Universe
- Development of a comprehensive Change Management Plan
- Establishment of a Change Management Committee
- Completion of Gap Analysis

AS-IS, TO-BE, and SOPs completed for the following departments:

Human Capital (HC), Marketing & Communication, Assessment & Training, Registration, Contact Centre, Research, Continuing Professional Development (CPD), Knowledge Management, Improper Conduct, Council Secretariat, Finance, Supply Chain Management (SCM), Enterprise Risk Management (ERM), ICT, Ethics and Compliance, Legal Services, Standard Generation and Policy Development, and Quality Management.

Current Activity: Project Close-Out and Lesson Learnt Documentation

7.2.6 BPR Project Overall Dashboard

The BPR Project Overall Dashboard reflects the successful execution as per the BPR Plan

Key deliverables included

- **Aligning Stakeholder Expectations** – **100%** - Project Scoping, Plan Finalisation, Key Stakeholder Identification
- **Review, Update & Align Policies & Procedures** – **100%** - Analysis of ECSA Policy Universe, Process Roadmaps, Gap Analysis, AS-IS, TO-BE & SOPs
- **Change Management Plan** – **90%** - Development of Plan, Training & Awareness Campaigns
- **Review of Technology Systems & ERP Recommendation** – **100%** - Review of IT Infrastructure, ERP Recommendations & Cost Benefit Analysis
- **Quality Assurance Reviews** – **100%** - Review and Circulation of Updated SOPs & Policies
- **Close-Out & Lessons Learnt** – **95%** - Final documentation and closure activities

PART C
GOVERNANCE

1. APPOINTMENT OF THE COUNCIL

The Engineering Profession Act (EPA), 46 of 2000, established the Council as the governing body of ECSA. In terms of section 3 of the Engineering Profession Act, The 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 twenty are actively practising 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 were nominated through an open process of public participation.

1.1. THE ROLE OF THE COUNCIL

According to Section 5 of the EPA, the term of office for the Council is four years. The tenure for the Sixth Term Council commenced in November 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 Governing Council Charter together with the Terms of Reference for Committees have been duly approved by the Council and regulate the affairs of Council and Committees including the Conduct of Meetings.

1.2. GOVERNING COUNCIL CHARTER

A Governing Council Charter which sets out the roles and responsibilities of the Council, Council members, the President, and other key roles to ensure that clarity and alignment have been developed and approved by the Council. The objective of the Charter is to promote good governance, including ethical and effective leadership in terms of the Code of Conduct, and to support the application of the Organisational Governance Framework by the Governing Council, its members, Governing Council committee members, the Chief Executive Officer and staff, and other stakeholders representing ECSA.

Table 14: Members of the Council for the Year Under Review

No.	Name	Designation (In Terms of The Public Entity Board Structure)	Appointment Date	Other Committees Served	Number of Council Meetings Attended
1.	Ms R Buthelezi	Profession	20 November 2020		7/10
2.	Ms P Madiba	Profession	20 November 2020	IC RC	10/10
3.	Ms T Ramagofu	Profession	20 November 2020	RPSC ATC RC NomCom	10/10
4.	Mr J Daniels	Profession	20 November 2020	ARC IC	7/10
5.	Prof K Nyembwe	Profession	20 November 2020	RPSC ATC	8/10
6.	Mr S Zimu	Profession	20 November 2020	IC RC	8/10
7.	Mr TC Madikane	Profession	20 November 2020		9/10
8.	Mr S Mkhize	Profession	20 November 2020	RPSC	4/10
9.	Ms N Rampersad	Profession	20 November 2020	IC RC NomCom	10/10
10.	Ms R Lesufi	Profession	20 November 2020	RC NomCom	10/10
11.	Dr S Skorpen	Profession	20 November 2020	IC	9/10
12.	Ms A Sole	Profession	20 November 2020	RC	9/10
13.	Mr S Jekwa	Profession	20 November 2020	NomCom	8/10
14.	Ms L Njomane	Profession	20 November 2020	CC TADC	9/10
15.	Mr M Ramuhulu	Profession	20 November 2020	IC RC	7/10
16.	Ms P Mdletshe	Profession	20 November 2020	RC	5/10
17.	Mr L Boshomane	Profession	20 November 2020	RPSC RC	9/10
18.	Ms A Mtshali	Profession	20 November 2020	RPSC	5/10
19.	Mr T Memela	Profession	20 November 2020	RC SERC	4/10
20.	Prof C van Zyl	Profession	20 November 2020	ATC	9/10
21.	Mr R Moloisane	Profession	20 November 2020	IC RC RPSC	9/10
22.	Mr N Nhleko	Profession	20 November 2020	RC	3/10
23.	Prof E Theron	Profession	20 November 2020	IC ATC	7/10

Table 14: Members of the Council for the Year Under Review (continued)

No. Name	Designation (In Terms of The Public Entity Board Structure)	Appointment Date	Other Committees Served	Number of Council Meetings Attended
24. Mr A Sommer	Profession	20 November 2020	RC	4/10
25. Ms R Ledwaba	Profession	20 November 2020	ATC	9/10
26. Mr N Smit	Profession	20 November 2020	IC RC	10/10
27. Ms S Mngomezulu	State	20 November 2020	ATC NomCom	7/10
28. Mr T Gamedze	State	20 November 2020	RC NomCom	10/10
29. Ms P Zweni	State	20 November 2020	IC	7/10
30. Adm B Mvovo	State	20 November 2020	ATC	1/10
31. Dr P Sibiya	State	20 November 2020	RPSC	6/10
32. Ms C Mbola	State	20 November 2020	RC ARC	8/10
33. Dr T Mwelase	State	20 November 2020	RC	7/10
34. Ms T Chili	Public	20 November 2020	ATC	9/10
35. Mr S Keswa	Public	20 November 2020	SERC NomCom	10/10
36. Ms S Tolo	Public	20 November 2020	ATC	10/10
37. Ms N Sampson	Public	20 November 2020	ARC	7/10
38. Ms S Mutileni	Public	20 November 2020	SERC ARC	8/10
39. Mr M Mailula	Public	20 November 2020	ARC	9/10
40. Mr M Modipa	Public	20 November 2020	SERC	10/10
41. Dr N Skeepers	Public	20 November 2020	SERC ATC	6/10
42. Dr R Legoabe	Public	20 November 2020	ARC ATC RC	10/10

1.3 COUNCIL MEMBER MEETING ATTENDANCE FOR THE YEAR UNDER REVIEW

Table 15: Committee Meeting Attendance

Name	Council	NomCom	ARC	RC	ATC	SERC	IC	RPSC
1. Ms R M Buthelezi	7/10							
2. Ms P Madiba	10/10			5/5			5/5	
3. Ms T Ramagofu	10/10	4/4		5/5	5/5			5/5
4. Mr J H E Daniels	7/10		9/10				5/5	
5. Prof K Nyembwe	8/10				4/5			2/5
6. Mr S Zimu	8/10						3/5	
7. Mr TC Madikane	9/10							
8. Mr S Mkhize	4/10							5/5
9. Ms N Rampersad	10/10	3/4		4/5			3/5	
10. Ms R Lesufi	10/10	4/4						
11. Dr S Skorpen	9/10						4/5	
12. Ms A Sole	9/10			4/5				
13. Mr S Jekwa	7/10	2/4						
14. Ms L Njomane	9/10				5/5			
15. Mr M Ramuhulu	7/10			5/5			5/5	
16. Ms P Mdletshe	5/10			4/5				
17. Mr L Boshomane	9/10			5/5				5/5
18. Ms A Mtshali	5/10							3/5
19. Mr T Memela	4/10			1/5		2/8		
20. Prof C van Zyl	9/10				4/5			
21. Mr R Moloisane	9/10				4/5		5/5	4/5
22. Mr N Nhleko	3/10			3/5				4/5
23. Prof E Theron	7/10				3/5		3/5	
24. Mr A Sommer	4/10			4/5	4/5			
25. Ms R Ledwaba	9/10				4/5			
26. Mr N Smit	10/10			5/5			5/5	
27. Ms S Mngomezulu	7/10	3/4			3/5			

Table 15: Committee Meeting Attendance (continued)

Name	Council	NomCom	ARC	RC	ATC	SERC	IC	RPSC
28. Mr T Gamedze	10/10	4/4		4/5				
29. Ms P Zweni	7/10						4/5	
30. Adm B Mvovo	1/10				2/5			
31. Dr P Sibiya	6/10							3/5
32. Ms C Mbola	8/10		6/10	4/5				
33. Dr T Mwelase	7/10			1/5				
34. Ms T Chili	9/10				3/5			
35. Mr S Keswa	7/10	4/4				8/8		
36. Ms S Tolo	10/10				4/5			
37. Ms N Sampson	7/10		6/10			7/8		
38. Ms S Mutileni	8/10		7/10			6/8		
39. Mr M Mailula	9/10		9/10					
40. Dr N Skeepers	6/10				3/5	6/8		
41. Mr M Modipa	10/10					8/8		
42. Dr R Legoabe	10/10		6/10	4/5	3/5			

2. HIGH IMPACT COMMITTEE MEMBERS AND ATTENDANCE

APRIL 2024 – MARCH 2025 (6th Term)

Name of Committee: Audit, Risk and Compliance (ARC) Committee

Number of committee members: 8

Role of Audit, Risk and Compliance (ARC) Committee

The objective of the ARC Committee is to oversee Internal Controls and Financial Reporting, oversee External Audit and Internal Audit process, compliance management and ensure that there is adequate assurance regarding the quality and reliability of financial information and financial statements, the effectiveness of risk management efforts of the organisation, as well as compliance with prevailing legislation, corporate governance and accounting standards in the discharge of the Governing Council's business.

Table 16: ARC Committee Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Mr M Mailula	10	9
2.	Ms N Sampson	10	6
3.	Mr J Daniels	10	9
4.	Dr R Legoabe	10	6
5.	Ms C Mbola	10	6
6.	Ms S Mutileni	10	7
7.	Mr A Nqwaba^	10	8
8.	Mr J Rockson^	10	9

^Co-opted members

Name of Committee: Social Ethics and Remuneration Committee (SERC)

Number of committee members: 8

Role of Social, Ethics and Renumeration Committee

The objective of the SERC is to pursue the long-term sustainability of ECSA while promoting an ethical organisational culture and striving for inclusive stakeholder value generation. SERC oversees and monitors Human Capital, including the workplace environment, Executives and Staff remuneration as well as Social and Ethics of the organisation to ensure that it supports an ethical culture.

Table 17: SERC Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Mr M Modipa	8	8
2.	Ms S Mutileni	8	6
3.	Mr S Faku^	8	8
4.	Mr S Keswa	8	8
5.	Ms N Sampson	8	7
6.	Mr T Memela	8	2
7.	Mr A Nqwaba^	8	6
8.	Dr N Skeepers	8	6

^Co-opted members

Name of Committee: Nominations Committee (NomCom)

Number of committee members: 7

Role of Nominations Committee

The objective of the Nominations Committee (NomCom) is to ensure the integrity of the process for nominating and appointing members of committees of the Governing Council, identify skills gaps that may exist in Governing Council Committees and oversee the outcomes of the Governing Council evaluation as it relates to recommendations and findings from Council evaluation.

Table 18:* NomCom *Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Ms R Lesufi (Chairperson)	4	4
2.	Mr S Keswa	4	4
3.	Ms T Ramagofu	4	4
4.	Ms S Mngomezulu	4	3
5.	Mr T Gamedze	4	4
6.	Ms N Rampersad	4	3
7.	Mr S Jekwa	4	2

Name of Committee: Investigating Committee (IC)

Number of committee members: 10

Role of the Investigating Committee

The objective of the IC is to investigate matters and determine whether or not, the Registered Person must be charged for breaching the Code of Conduct for Registered Persons. The mandates of the IC, duly delegated to it by the Governing Council, are:

- If information comes to the attention of the Council concerning the protection of the public in their dealings with Registered Persons for the maintenance of the integrity and the enhancement of the status of the engineering profession, the IC may investigate and consider the matter for the purpose of recommending to the Governing Council any steps it considers necessary.
- If information comes to the attention of the Council that public health and safety is prejudiced as a result of engineering-related undertakings, the IC may investigate and consider the matter to recommend to the Governing Council any steps it considers necessary.
- To print, circulate or publish, and generally take any steps necessary to publish, any publication relating to the engineering profession and related matters concerning the mandate of the IC.
- To perform any service within its competence if it is requested by any person or body of persons, including the State concerning Section 212 of the Criminal Procedure Act of 1977.
- To take any steps necessary to give effect to Section 41(1) of the Act.
- To take any measures it considers necessary for the proper performance of and exercise of the IC's functions, duties or powers to achieve the objectives of the Act.

Table 19: IC Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Dr S Skorpen	5	4
2.	Mr J Daniels	5	5
3.	Ms P Madiba	5	5
4.	Mr R Moloisane	5	5
5.	Ms N Rampersad	5	3
6.	Mr M Ramuhulu	5	5
7.	Mr N Smit	5	5
8.	Prof E Theron	5	3
9.	Mr S Zimu	5	3
10.	Ms P Zweni	5	4

Name of committee: Registration Committee (RC)

Number of committee members: 20

Role of the Registration Committee

Objectives of the RC are to:

- Oversee the implementation of Policies, Models and Competency Standards that support the effectiveness of the Governing Council in relation to the registration of candidates and professionals in all categories and specified categories.
- Oversee the implementation of the Continuing Professional Development ("CPD") Standard and Rules that support the effectiveness of the Governing Council in relation to the renewal of registration of all professional persons.
- Oversee the effective implementation of the Framework for the Recognition of Voluntary Associations ("VA"), inclusive of the VA Engagement Plan, the recognition of Licenced Bodies, the verification of CPD Service Providers, and the auditing of same.

Table 20: RC Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Ms Madiba	5	5
2.	Ms R Lesufi*	5	1
3.	Mr M Buthelezi^	5	2
4.	Mr T Gamedze	5	4
5.	Ms C Mbola	5	4
6.	Ms P Mdletshe	5	4
7.	Mr T Memela	5	1
8.	Ms T Mwelase	5	1
9.	Ms A Sole	5	4
10.	Ms N Rampersad	5	4
11.	Mr N Smit	5	5
12.	Ms. T Ramagofu	5	5
13.	Mr N Nhleko	5	3
14.	Mr L Boshomane	5	5
15.	Dr R Legoabe	5	4
16.	Dr D Madyira^	5	5
17.	Mr M Ramuhulu	5	5
18.	Mr C Schnehage^	5	4
19.	Mr A Sommer	5	4
20.	Mr S Zimu*	5	1

** Resigned – 07 May 2024*
** Resigned – 10 May 2024*
^Co-opted members

Name of committee: Accreditation and Training Committee (ATC)

Number of committee members: 18

Role of the Accreditation and Training Committee

The objectives of the ATC are to provide oversight in the implementation of Policies and Standards in relation to:

- Engineering education, programme endorsement and accreditation, qualification evaluation and recognition, and attending to matters pertaining to quality assurance processes in line with local and international standards and support the effectiveness of the Governing Council in relation to these matters.
- Training academies, certification of academies, accreditation of academy candidacy training programmes, and support the effectiveness of the Governing Council in relation to these matters.

Table 21: ATC Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Prof K Nyembwe	5	4
2.	Adv E Bhero^	5	5
3.	Ms T Chili	5	3
4.	Mr J Kae^	5	5
5.	Ms R Ledwaba	5	4
6.	Dr R Legoabe	5	3
7.	Mr R Moloisane	5	4
8.	Adm B Mvovo	5	2
9.	Prof E Theron	5	3
10.	Prof C van Zyl	5	4
11.	Ms L Njomane	5	5
12.	Ms S Mngomezulu	5	3
13.	Mr M Buthelezi	5	0
14.	Mr S Dywili^	5	5
15.	Ms T Ramagofu	5	5
16.	Dr N Skeepers	5	3
17.	Mr A Sommer	5	4
18.	Ms S Tolo	5	4

^Co-opted members

Name of committee: Research, Policy and Standards Committee (RPSC)

Number of committee members: 12

Role of Research, Policy and Standards Committee

The Research, Policy and Standards Committee renders an oversight role on the following:

- The regulatory instruments developed and applies its expertise to consider ECSA draft policies on research output and providing recommendations to the Council for approval in line with the organisations strategy, prevailing norms, local and international standards, ECSA Policy Framework as well as national government policy imperatives and frameworks.
- The development of standards, frameworks, procedures, training and discipline guidelines concerning knowledge, skills and competence as well as executing the feasibility studies for new disciplines as stipulated in Section 18(c) of the EPA.
- The development of international relations policies, strategies/frameworks as well as positions for each international engagement for ECSA as guided by the organisations international and national strategic objectives and goals.

Table 22 RPSC Members and Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended
1.	Mr S Mkhize	5	5
2.	Ms A Mtshali	5	3
3.	Mr L Boshomane	5	5
4.	Mr D Havenga^	5	5
5.	Caroline Eva^	5	2
6.	Mr R Moloisane	5	4
7.	Mr N Nhleko	5	4
8.	Prof K Nyembwe	5	2
9.	Ms T Ramagofu	5	5
10.	Dr S Ramsuroop^	5	2
9.	Mr C Schnehage^	5	5
10.	Ms P Sibiya	5	3

^Co-opted members

3. The Seventh Term Governing Council

The Seventh Term Governing Council, appointed by the Honourable Minister of Public Works and Infrastructure on 2 April 2025 and formally inaugurated on 23 April 2025, has officially commenced its work. At its first sitting, Mr. TC Madikane was elected as President and Ms. Marcia Maidi as Vice President. The election process was diligently managed by the Council Secretariat Division, with independent oversight by the Combined Assurance Division; a clear demonstration of ECSA's unwavering commitment to transparent, ethical, and accountable governance.

Table 23: Members of the Council for the Year Under Review

No.	Name	Designation (In Terms of The Public Entity Board Structure)	Appointment Date	Other Committees Served
1.	Mr TC Madikane	Profession	23 April 2025	
2.	Ms M Maidi	State	23 April 2025	
3.	Mr E Oswald	Profession	23 April 2025	RPSC
4.	Ms V Mudau	Profession	23 April 2025	RPSC
5.	Ms S Moketla	Profession	23 April 2025	RC
6.	Dr M Heyns	Profession	23 April 2025	RC
7.	Dr V Hashe	Profession	23 April 2025	ATC
8.	Prof P Mashinini	Profession	23 April 2025	ATC
9.	Ms S Chamane	Profession	23 April 2025	SERC
10.	Mr S Pillay	Profession	23 April 2025	NomCom
11.	Mr I McKechnie	Profession	23 April 2025	IC
12.	Ms S Shozi	Profession	23 April 2025	NomCom
13.	Mr D Havenga	Profession	23 April 2025	RPSC
14.	Mr P Sekhoto	Profession	23 April 2025	ARC
15.	Mr D Cawdry	Profession	23 April 2025	ATC
16.	Ms S Sishi	Profession	23 April 2025	RPSC
17.	Prof E Kearsley	Profession	23 April 2025	ATC
18.	Dr N Gareeb	Profession	23 April 2025	IC
19.	Mr S Mbadamana	Profession	23 April 2025	IC
20.	Mr M Meder	Profession	23 April 2025	RC
21.	Ms S Sulliman	Profession	23 April 2025	IC

Table 23: Members of the Council for the Year Under Review (continued)

No.	Name	Designation (In Terms of The Public Entity Board Structure)	Appointment Date	Other Committees Served
22.	Prof K Ramdass	Profession	23 April 2025	ATC
23.	Mr L Monyatsi	Profession	23 April 2025	RC
24.	Ms M Damane	Profession	23 April 2025	RPSC
25.	Mr S Khoza	Profession	23 April 2025	NomCom
26.	Prof D Lokhat	Profession	23 April 2025	ATC
27.	Ms S Mona	Profession	23 April 2025	ARC
28.	Mr B Maluleka	Profession	23 April 2025	RPSC
29.	Mr S Xawuka	Profession	23 April 2025	IC
30.	Ms V Nene	State	23 April 2025	SERC
31.	Mr J George	State	23 April 2025	NomCom
32.	Mr B Motladiile	State	23 April 2025	RC
33.	Ms N Gumede	State	23 April 2025	RPSC
34.	Mr S Palackal	State	23 April 2025	RC
35.	Mr M Khathide	State	23 April 2025	ARC
36.	Ms P Mazibuko	State	23 April 2025	SERC
37.	Dr P Cebekhulu-Msomi	Public	23 April 2025	NomCom
38.	Mr M Lupuwana	Public	23 April 2025	SERC
39.	Dr M Makgae	Public	23 April 2025	SERC
40.	Mr G Gcaba	Public	23 April 2025	SERC
41.	Dr P Govender	Public	23 April 2025	IC
42.	Ms K Maelane	Public	23 April 2025	ARC
43.	Dr S Kabane	Public	23 April 2025	ARC
44.	Ms K Majola	Public	23 April 2025	ARC
45.	Ms N Koranteng	Public	23 April 2025	IC
46.	Ms V Ndlovu	Public	23 April 2025	ARC

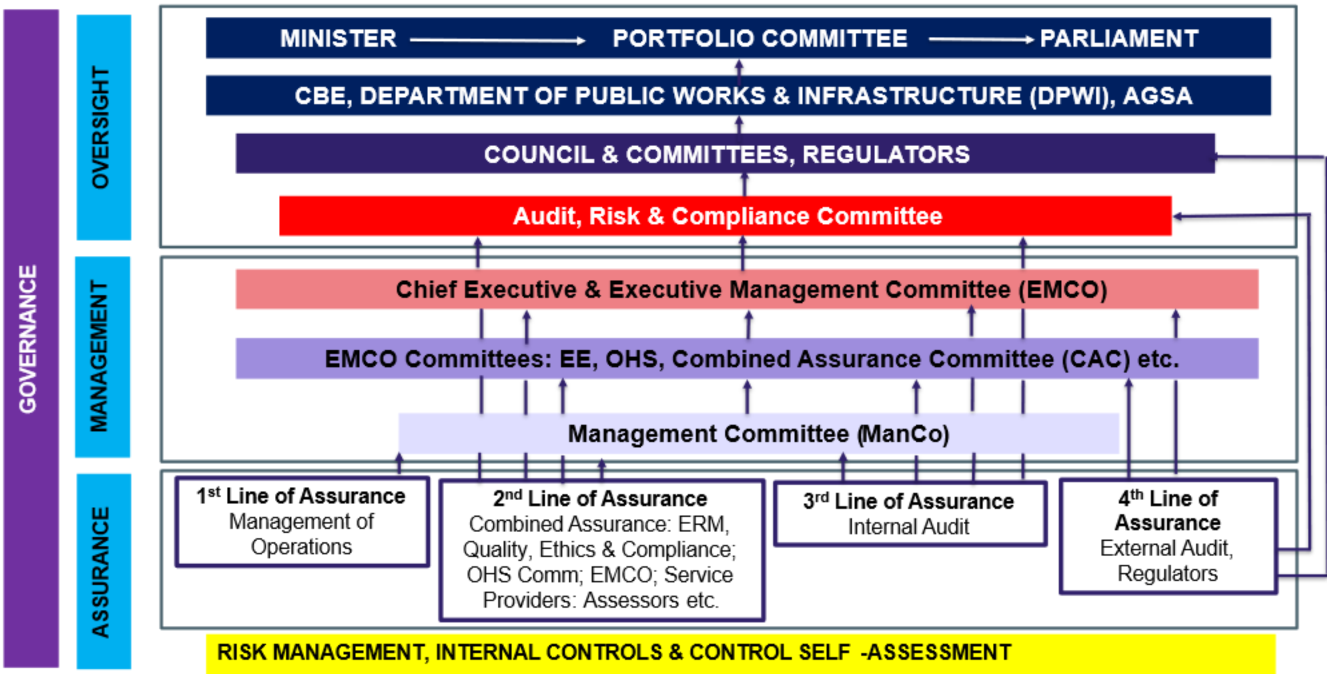
4. COMBINED ASSURANCE

4.1 ORGANISE TO ASSURE ENGINEERING EXCELLENCE IN THE PUBLIC INTEREST

4.1.1 Combined Assurance

The Combined Assurance function comprises of four function: Enterprise Risk Management (ERM), Ethics and Compliance, Quality Management and Internal Controls. The Internal Audit function is outsourced. A Combined Assurance Model with four lines of assurance depicted in Figure 20 was adopted by the Audit, Risk and Compliance (ARC) Committee for internal and external assurance providers to collaborate and provide optimal assurance on risks and controls. Some of the benefits of Combined Assurance are the improvement of the integrity of financial and non-financial information, and the reduction of duplication of effort and audit fatigue, which should translate to a reduction in audit fees, without compromising the assurance process.

Figure 20: ECSA's Combined Assurance Model



A Combined Assurance Strategy and Policy were approved by the Governing Council, with an Implementation Plan that laid the foundation for an effective process. The King IV Report on Corporate Governance, the Committee of Sponsoring Organisations of the Treadway Commission (COSO) ERM Framework and the COSO Internal Control Framework were formally adopted by the ARC Committee.

Combined Assurance Champions were appointed to represent Divisions and Business Units to further embed the process. The Combined Assurance Committee's Terms of Reference were approved, with membership including the Combined Assurance Champions and other assurance providers.

a) Enterprise Risk Management

An Enterprise Risk Management (ERM) Strategy and Policy were revised in the period, to align to the hybrid of the COSO ERM Framework and ISO 31000. An annual Implementation Plan was fully realised. **One of the key achievements for ECSA is the improvement of the ERM Maturity level from Level 2: Basic, as at the maiden assessment conducted on 15 August 2024 to Level 3: Comprehensive, attained by 31 March 2025, in just a 7-month period**. Table 24 depicts the adopted ERM Maturity Matrix.

Table 24: ERM Maturity Matrix

#	ERM Maturity Level	Description of Current State of ERM	Range of Total Score
1	**Level 1: Initial**	Just Getting Started	From **1** to **25**
2	**Level 2: Basic**	Basic ERM Practices in Place	From **26** to **45**
3	**Level 3: Comprehensive**	Basic as well as some more sophisticated ERM Practices in Place	From **46** to **65**
4	**Level 4: Integrated**	Robust ERM in Place	From **66** to **75**

a) Enterprise Risk Management *(Continued)*

The Engineering Council of South Africa has embraced the integration of risk management into the strategic planning process for the achievement of strategic objectives. An inaugural comprehensive strategic risk assessment was conducted with Executive Management, with the 2024/25 Strategic Risk Profile in Table 25, which was then recommended by the ARC Committee to the Governing Council for approval. The legend for the risk rating is detailed in Table 26. The implementation of action plans was monitored and reported to Management and the ARC Committee in the period.

Table 25: 2024/25 Strategic Risk Profile

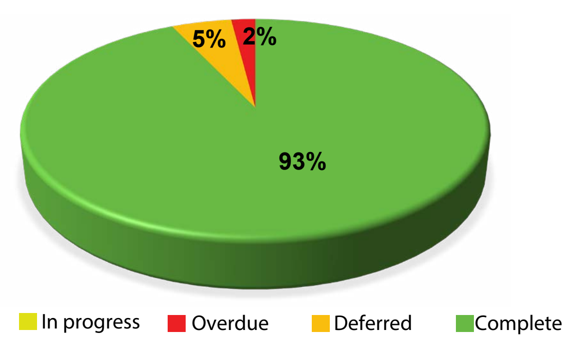
#	Risk Description	Inherent Risk Rating	Residual Risk Rating
1	Current Engineering Profession Act (EPA) not enabling ECSA and its governance structures to perform independently, optimally and efficiently to benefit the Engineering Profession.	25	20
2	Non-compliance of engineering practitioners to the set ECSA standards.	20	15
3	Continuity of operations compromised.	20	15
4	Ineffective Performance Management.	16	12
5	Compromised financial growth and sustainability.	16	12
6	Ineffective internal controls, risk management and governance processes.	16	12
7	Failure to implement Digitisation for ECSA.	16	12
8	Non-compliance with applicable Laws and Regulations.	16	12
9	Cyber security breaches.	16	12
10	Ineffective People Management.	16	12
11	Membership of Registered Persons not growing sustainably.	25	9
12	Ineffective Regulation.	16	9
13	Ineffective stakeholder management.	12	9

Table 26: Legend - Risk Evaluation

#	Risk Index (Likelihood x Impact)	Risk Rating	Risk Management Response Guideline
1	16 – 25	Extreme	**Completely Unacceptable:** Executive Management should implement immediate and detailed actions to enhance the controls, to mitigate or eliminate the risk.
2	10 – 15	High	**Unacceptable:** Senior Management should implement actions urgently, to enhance controls to mitigate or eliminate the risk.
3	3 – 9	Medium	**Tolerable:** Improve current controls and monitor the specific response to ensure risk level does not increase.
3	1 – 2	Low	**Acceptable:** Maintain current controls. Do not need further allocation of resources.

The 2024/25 organisational performance is reported at **94%**, while **93%** of action plans in the 2024/25 Strategic Risk Register were completed by 31 March 2025, as seen in Figure 21.

Figure 21: ECSA 2024/25 Strategic Risk Register Progress on 31 March 2025



a) Enterprise Risk Management *(Continued)*

Operational Risk Assessments were conducted with Divisions and the 2024/25 Operational Risk Registers were monitored and reported to the Management Committee and the Executive Management Committee, quarterly. Risk Champions continued to represent their Management within the Division/Business Unit, as first-line assurance providers, meant to improve risk ownership. The Combined

Fraud Risk Management

The Fraud Management Policy was elevated to an Anti-Fraud and Corruption Policy approved by the Governing Council, to align to the aspirational approach embraced for encouraging ethical conduct. The "Zero Tolerance" autocratic approach was replaced with the aspiration to improve ethical conduct, so that the organisation can reduce and/or eliminate fraud.

Anti-Fraud and Ethics Hotline

The Anti-Fraud and Ethics Hotline is administered by an external service provider, Vuvuzela, to safeguard anonymity and ensure compliance to the Protected Disclosures Act 26 of 2000 (Amended), among others. Reported cases are investigated accordingly and reported to relevant stakeholders.

ECSA is committed to a culture of fairness, transparency and accountability to investigate and report on allegations lodged.

A Forensic Investigation on ECSA's Registration process was concluded in the period. Corrective action plans to improve internal controls were developed, and progress was reported to relevant oversight structures.

b) Ethics and Compliance

The Ethics Business Unit was formally established in July 2024, reinforcing ECSA's commitment to a good ethical culture. An ethics survey was conducted with all employees, which informed the Ethics Risk Assessment (ERA), conducted with Executive Management initially, and with Managers and employee representatives separately, to encourage honest engagements. Table 27 outlines the Ethics Risk Profile that emerged from the initial survey conducted.

Table 27: 2024/25 Ethics Risks Profile

#	Risk Description	Inherent Risk Rating	Residual Risk Rating
1	Unethical culture within ECSA	20	12
2	Existing conflict of interest is not managed effectively.	20	16
3	Unethical conduct by employees.	20	12
4	ECSA is seen as an uncaring employer due to unethical behaviour not being addressed.	16	12
5	Employees are pressured by management to implement unethical and unlawful instructions.	16	16
6	Favouritism (giving preferences towards certain employees & suppliers).	20	16
7	Misuse or theft of ECSA's property.	16	12
8	Leakage of confidential or personal information for employees, RPs and other stakeholders.	25	20

The Ethics Risk Assessment informed a comprehensive Ethics Strategy, an updated Ethics Policy approved by the Governing Council, and a newly developed Code of Ethics. The Business Unit facilitated a mandatory declaration of interest process and established a formal process for gifts and hospitality received by by employees to mitigate conflicts of interest risk. The integrity of the declaration process was enhanced through independent verifications of employee submissions against the Companies and Intellectual Property Commission (CIPC) database.

b) Ethics and Compliance *(Continued)*

Compliance Management

A maiden Compliance Management Strategy and Policy were developed and approved by the Governing Council. A comprehensive Compliance Universe was established, with applicable compliance obligations, including the Engineering Profession Act 46 of 2000 and other mandatory and voluntary obligations applicable to ECSA's operations. Compliance obligations were assessed on key legislation by the Ethics and Compliance Specialist, as a second-line assurance provider, and the action plans were developed by Management, as first line, to address findings raised.

Another key achievement for ECSA is the improvement of the Compliance Maturity level from Level 2: Defined, as at the maiden assessment conducted on 31 August 2024 to Level 3: Comprehensive, attained by 31 March 2025,in just 7 months. Table 28 outlines the Compliance maturity matrix adopted.

Table 28: Compliance Maturity Matrix

#	Maturity Level	Description of Current State of ERM	Score
1	**Level 1: Initial**	Defensive compliance with limited resources	From **1** to **12**
2	**Level 2: Defined**	Passive compliance with fragmented resources	From **13** to **24**
3	**Level 3: Comprehensive**	Coordinated Compliance efforts	From **15** to **36**
4	**Level 4: Strategic**	Compliance process fully integrated into business operations	From **37** to **48**

c) Quality Management

ECSA implemented a Quality Management System (QMS) aligned with ISO 9001: 2015 requirements to formalise and coordinate the organisation's activities. The ISO 9001: 2015 certification was awarded to ECSA on 29 April 2022 by an internationally recognised certification body.

A second surveillance audit was conducted in April 2024, with opportunities for improvement noted in Table 29 below. The implementation of the QMS intends to improve customer or stakeholder experience through daily and operational activities, for continual improvement and enhancing effectiveness and efficiency of processes.

Preparations for the ISO 9001: 2015 recertification audit in April 2025 were undertaken in the period.

Table 29: 2024/25 ISO 9001 Surveillance Audit Outcome

#	Opportunity for Improvement
1	All aspects of the Management Review are covered in various forums and meetings. A Guide/Map could be developed to ensure that all the necessary. Inputs and outputs of the ISO Standard are covered.
2	Change management is currently monitored on the "SHEQsys" process. The Policy and process flows for MOC could be reviewed and updated to also manage the BPR Project and other projects.
3	ECSA could consider a method to control on-line worksheets (EXCEL) to provide for a version status and date last reviewed. (e.g. Stakeholder maps, Risk matrix per BU).
4	The Education process for regular accreditation for institutions is valid for 5 years. ECSA could consider reviewing this period due to current fast changing technologies in the industry.

Training and Awareness

Training and awareness sessions were conducted, with all employees and Management on ERM, Fraud Risk Management, Ethics, Compliance, and Quality Management principles. The Training and Awareness Sessions were necessary as the Combined Assurance Function was new to the organisation, which necessitated the education, knowledge and awareness creation to employees for common understanding. Furthermore, the approved Strategies and Policies were presented to employees in these sessions. **A competency assessment to assess employees' knowledge of combined assurance principles was completed by all employees, with an expected minimum score of 70%**.

A total of 72% of employees completed the competency assessment, achieving an overall pass rate of 97%, with an average score of 89%. This demonstrates the improvement in the basic understanding of risk management, ethics, compliance and quality management concepts.

d) Internal Audit

Kgatontle Consulting (Pty) Ltd was the outsourced internal audit service provider, until 15 November 2024. A revised Resourcing Strategy for assurance services was developed and approved by the ARC Committee in October 2024. Ngubane, the new outsourced assurance provider was approved for appointment by the ARC Committee on 29 January 2025. The revised Resourcing Strategy caters for assurance and advisory services, including Specialist Reviews, all provided by one service provider for efficiency. Distinct and separate teams are in place for Internal Audit, IT and Forensics, to protect the independence and objectivity of all third-line assurance providers. The Service Level Agreement was finalised in March 2025, which did not afford adequate time to neither develop nor execute a 2024/25 Annual Internal Audit Plan. The term of the contract is five years to afford the service provider adequate time to understand ECSA's operations and add optimal value, prior to expiry.

The first Internal Audit Charter for ECSA, aligned to the Institute of Internal Auditors' (IIA) and International Professional Practice Framework (IPPF) Standards, was developed and approved by the ARC Committee in the period.

Internal Audit provided reasonable assurance to Management, the ARC Committee, and the Governing Council, on the adequacy of and effectiveness of the internal controls, risk management and governance processes for the following reviews:

- Audit of Predetermined Objectives (AoPO) on the 2023/24 Organisational Performance.
- Annual Financial Statement (AFS) Review on the 2023/24 AFS.
- Financial Management Review.

The Combined Assurance Division monitored and reported on the Audit Tracking process for internal and external audit findings implemented by the various Divisions and Business Units, with a 93% resolution at year-end.

Accountability

The Internal Audit outsourced service provider reported functionally to the ARC Committee and administratively to the Office of the Chief Executive Officer, facilitated by the Combined Assurance Division.

Independence

The independence of the Internal Audit Activity was upheld through Internal Audit submitting their reports to the ARC Committee, through the Council Secretariat. A direct reporting line to the ARC Committee was pursued for other aspects, in addition to the audit reports.

Objectivity

During the 2024/25 AoPO and AFS Reviews, the internal auditors maintained objectivity , and an impartial stance. The outcome of the AoPO provided the Governing Council with independent and objective assurance on ECSA's overall performance for 2023/24.

Proficiency and Due Professional Care

The AoPO and the AFS Reviews in 2024/25 were performed with proficiency and due professional care.

Evaluation of Financial Statements

The newly appointed Internal Audit service provider conducted a thorough independent assurance review of the 2024/25 unaudited financial statements, to detect any potential misstatements or omissions, and compliance to applicable accounting standards. The assertions of validity, accuracy and completeness were assessed, and the overall financial reporting practices were deemed to be effective, with the financial statements being fairly presented.

Evaluation of Financial Reporting Controls

A comprehensive assessment of critical financial controls was conducted to verify the effectiveness of the controls supporting the preparation of financial information. It was determined that the overall financial reporting controls are operating effectively.

Annual and Three-Year Strategic Internal Audit Plan

A 2024/25 Strategic Risk Assessment was conducted by ECSA in June 2024 and the service provider at the time was requested to develop a risk-based Annual and Three-Year Strategic Internal Audit Plan, aligned to the 2024/25 risk profile. ECSA's request was not met.

The change in the Resourcing Strategy for assurance services in the period resulted in the 2024/25 Annual and Three-Year Strategic Internal Audit Plan not having been developed by the time the procurement process commenced. The long-term benefits of the revised Resourcing Strategy will be realised from 2025/26.

Fraud Risk

The IPPF Standards encourage Internal Auditors to exercise professional due care in executing their work; however, the responsibility to detect and prevent fraud and corruption remains with Management at an operational level. Where instances of fraud and corruption have been identified in the internal audit reviews, they are reported to Management to provide action plans and are escalated to the ARC Committee for oversight.

Written Assessment

Extensive effort was directed into the improvement of internal controls, risk management and governance processes by the Combined Assurance Division, in the absence of an appointed internal audit service provider. The absence of an internal audit service provider from November 2024 to 29 January 2025 resulted in the 2024/25 internal audit reviews not having been conducted.

The adequacy of controls improved in the period, with the development and approval of a number of policies by the Governing Council, for different key processes for Divisions within ECSA.

The first Internal Audit Charter for ECSA, aligned to the Institute of Internal Auditors' (IIA) International Professional Practice Framework (IPPF) Standards were developed and approved by the ARC Committee in the period.

The Combined Assurance Division laid a solid foundation to improve internal controls, risk management and governance processes, through the:

Development and approval from the Governing Council for the following:

- Combined Assurance Strategy and Policy
- ERM Strategy and Policy
- Compliance Management Strategy and Policy
- Ethics Strategy and Policy
- Anti-Fraud and Corruption Policy

Development of the following:

- Quality Management Strategy and Policy
- Whistleblower Policy and Procedure
- Code of Ethics

The approval will be obtained from the 7th Term Governing Council in Quarter 1 (one).

The effectiveness of the policies developed will be reviewed by internal audit.

With the Combined Assurance approach being embraced, collaboration among all internal and external assurance providers should help improve the adequacy and effectiveness of controls for ECSA, through the Control Self-Assessment (CSA) process, among others.

PART D
HUMAN CAPITAL

1. INTRODUCTION

1.1. HUMAN CAPITAL OVERVIEW

In alignment with ECSA's strategic vision, the Human Capital Business Unit made notable advances during the reporting period in strengthening organisational capability and workforce effectiveness. The HC Strategy was developed to align HC practices with the Human Resources Board of People's Practices. Strategic priorities were centred on enabling a future-ready organisation through targeted efforts in workforce planning, performance and talent management, learning and development, employee wellness and relations, as well as organisation-wide development interventions.

To operationalise these priorities, the business implemented a series of high-impact initiatives. These included a comprehensive organisational structure review, job profiling and evaluation, salary benchmarking, and a national skills audit to align workforce capabilities with current and future demands. Leadership assessments were conducted to support succession planning and strengthen the leadership pipeline.

Further, the organisation launched focused health and wellness programmes aimed at improving employee wellbeing, delivered employee relations protocol training to foster a more harmonious workplace, enhanced key policy and business process frameworks, and conducted a wide-reaching employee culture survey to inform ongoing culture transformation efforts. Strategic emphasis was placed on building a supportive and inclusive work environment that promotes employee engagement, wellbeing, and positive labour relations foundational to long-term organisational sustainability.

All these initiatives were integrated into five cohesive programmes, strategically designed to elevate organisational performance, advance leadership, and talent development, and most importantly, position ECSA as an employer of choice with a skilled, agile, and motivated workforce.

01 Strategic Workforce Planning & Talent Alignment

02 Performance & Capability Enhancement

03 Learning, Development, and Leadership Growth

04 Employee Experience Wellness and Recognition Programmes

05 Employee Relations, Policy Development & Transformation

1.2. CAPACITATING THE ORGANISATION

Aligned with ECSA's strategic priorities, the Human Capital Unit focused on building a future-ready workforce by identifying critical talent needs, addressing gaps, and aligning recruitment with long-term objectives. These efforts were underpinned by structural reviews, job evaluations, and a comprehensive salary benchmarking exercise.

As part of the leadership structure optimisation, plans were initiated to move the Executive: Regulatory Services and International Relations to Executive: Improper Conduct and Enforcement. This aligns with the strategic move to ensure ECSA can monitor compliance with approved standards and policies, thereby ensuring the safety of consumers. Two Executives were appointed during the year, of whom one did not secure a permanent placement due to incompatibility.

The top management structure, approved by the Council in August 2023, remained unchanged following the structural review and is now fully resourced. Three key position - Chief Financial Officer and Council Secretary - are currently held in an acting capacity and are expected to be permanently filled in 2025/26 fiscal year.

Further optimisation of the operational structure is planned for implementation during the 2025/26 fiscal year to ensure talent alignment with ECSA's 2025/30 Strategic Plan.

1.3. PERFORMANCE AND CAPABILITY ENHANCEMENT

To drive a high-performance culture and accountability, the Human Capital Business Unit strengthened ECSA's performance management framework through measurable KPIs, continuous feedback, and targeted development initiatives. These efforts aimed to enhance organizational capability and improve individual and team performance, with support provided to underperforming employees.

Integrated Approach
ECSA implemented an integrated assessment methodology in the 2023/24 performance cycle, evaluating performance at the individual, business unit, divisional, and organisational levels to encourage collaboration and reduce silos.

Moderation and Reward
A Performance Moderation Committee was established to ensure fairness and transparency in the evaluation process. As a result, performance bonuses were awarded to deserving employees, reinforcing the link between performance and reward.

1.4. LEARNING, DEVELOPMENT AND LEADERSHIP GROWTH

Empowerment through Continuous Learning and Leadership Development

ECSA remains committed to building internal capabilities through structured learning interventions that align with organisational priorities. This focus on continuous learning includes leadership development pipelines, mentorship opportunities, and technical upskilling initiatives.

During the reporting period, a range of programmes were implemented, including short courses, conferences, and Continuing Professional Development (CPD) courses to bursary and study assistance support. These interventions exceeded their targets, reinforcing ECSA's position as a learning organisation and a centre of excellence in professional development. An agreement with Udemy was reviewed, and relevant courses were identified for each Business Unit and Management.

ECSA conducted a skills audit for all employees and competency assessments for managers, Assistant Managers, Specialists, and Executives. The results thereof shall inform the IDP to bridge the skills gaps and to implement the Succession Plan.

1.5. EMPLOYEE EXPERIENCE, WELLNESS AND RECOGNITION PROGRAMMES

Creating a Culture of Care, Belonging, and Appreciation

The Engineering Council of South Africa implemented an integrated approach to enhance the employee lifecycle - from onboarding to retention by embedding wellness initiatives (physical, mental, and financial), fostering engagement through inclusive practices, and establishing a structured reward and recognition framework. This initiative aimed to elevate morale, promote a culture of appreciation, and strengthen organisational commitment through both intrinsic and extrinsic motivational drivers.

In recognition of the challenges posed by the 4th Industrial Revolution and the evolving nature of the modern workplace, employee wellness remained a top priority. During the reporting period, several key initiatives were introduced to support our staff:

ECSA Team Building

Focused on reinforcing camaraderie, encouraging social connections, reducing stress, and enhancing productivity and teamwork.

Free Employee Assistance Program

Offered a range of services to employees and their immediate family members, including life management support, psychological counselling, and access to health and wellness resources.

ECSA Soccer and Netball Teams

Promoted physical fitness, alleviated stress, and fostered teamwork and a healthy work-life balance.

Reward and Recognition

During the end year function – six rewards were given to deserving employees and team members, awarded to the following:

Customer Champion Award
Ms Bernice Ndou
Peer Recognition Award
Mr Wonder Mabunda
ECSA Brand Ambassador
Mr Khotso Makhalanyane
First Class Manager
Dr Franscika Bothma
IT Team Award
Registration Business Unit
Pro People Award
Employee Wellness Committee

1.6. EMPLOYEE RELATIONS, POLICY DEVELOPMENT AND TRANSFORMATION

Building a Policy-Driven, Ethical, and Inspiring Leadership Culture

This programme focused on fostering a values-based organisational culture underpinned by clear, consistently applied policies and effective governance processes. Its objective was to ensure compliance, fairness, and alignment with ECSA's strategic goals while remaining responsive to a rapidly changing environment.

A key element of this effort was the ongoing review and development of human capital policies to support clarity, consistency, and operational efficiency. In parallel, the programme drove cultural transformation by empowering leaders to model ethical behaviour, accountability, and collaboration, laying the foundation for a culture rooted in trust and integrity.

As a dynamic organisation, ECSA remains responsive to external market forces that influence its ability to attract, retain, and motivate top talent. Notable progress was achieved during the reporting period with the approval of several new and revised policies by the Council. These policies uphold the following principles:

1.6. EMPLOYEE RELATIONS, POLICY DEVELOPMENT AND TRANSFORMATION *(continued)*

Employee Relations

- Promoting fair, transparent, and constructive engagement between employees and management to foster a positive and collaborative work environment.

Clarity and Consistent Application

- Ensuring that policies are clearly articulated, easily understood, and uniformly applied across the organisation to support fairness and operational coherence.

Openness and Transparency

- Supporting internal equity and inclusive practices by providing relevant remuneration data at divisional and business unit levels for informed decision-making, while maintaining the confidentiality of individual employee compensation.

1.7. HUMAN CAPITAL DIGITISATION AND INNOVATION

As part of ECSA's broader ERP and CRM business process improvement and transformation, the Human Capital Business Unit launched Phase 1 of its digital enablement strategies to modernise HR operations and align with enterprise systems. This phase focused on automating key HR processes, such as overtime, travel, and subsistence claims, while enhancing employee self-service and enabling real-time workforce analytics.

Future phases will expand these capabilities to include performance management, skills development, employment equity, and digital onboarding fostering integrated service delivery, data-driven decision-making, and a more agile, people-centric organisation.

1.8. HUMAN CAPITAL FUTURE- FIT PRIORITIES

The Human Capital Business Unit remains committed to its role as a strategic partner in ECSA's journey toward achieving the Strategic Plan 2025–2030. Key initiatives will continue to focus on strategic workforce planning, integrated talent management, competitive remuneration, employee relations and wellness.

The Organisations future priorities from an HC perspective will centre on the following five key programmes:

- **Structural Alignment and Staff Optimisation** - Aligning organisational structures and workforce capabilities with strategic objectives to enhance operational efficiency and value delivery.
- **Employee and Leadership Development** - Strengthening leadership pipelines, professional growth, and succession planning to support ECSA's long-term success.
- **High-Performance Culture and Agility** - Embedding a results-driven mindset and fostering adaptability to meet evolving organisational and sector needs. This includes leveraging insights from employee culture surveys to drive behavioural change, promote agility, and reinforce a values-based organisational culture.
- **Employee Experience and Client Relations** - Enhancing every stage of the employee lifecycle and improving stakeholder engagement through a human-centred approach.
- **Service Innovation and Excellence** - Continuously improving HR systems, processes, and service delivery to drive internal excellence and operational effectiveness.

*Through these focus areas, the **Human Capital Business Unit** aims to position ECSA as an **Employer of Choice** and ensure continued alignment with its strategic vision over the next five years.*

1.9. EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

The Engineering Council of South Africa is dedicated to promoting diversity, equity and transformation in the workplace, as depicted in table 30 below, ECSA has exceeded its equity target.

Table 30: Equity Target and Employment Equity Status

LEVEL	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	1	0	0	0	0	0	0	0
Senior management	4	1	0	0	0	0	2	1
Professionally qualified	11	0	0	0	2	0	0	0
Skilled	28	2	0	0	2	0	1	0
Semi-skilled	67	3	2	0	1	0	1	0
Unskilled	4	0	0	0	0	0	0	0
TOTAL	**115**	**6**	**2**	**0**	**5**	**0**	**4**	**1**

PART E
FINANCIALS

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Engineering Council of South Africa (ECSA) is a statutory bodyestablished in terms of the Engineering Profession Act (EPA), 46 of 2000. The ECSA's primary role is the regulation of the engineeringprofession in terms of this Act. Its core functions are the accreditation of engineering programmes, registration of persons as professionals in specified categories, and the regulation of the practice of registered persons
Registered office	1st Floor Waterview Corner Building 2 Ernest Oppenheimer Avenue Bruma Lake Office Park Johannesburg 2198
Bankers	Standard Bank South Africa First National Bank
Auditors	Lunika Inc. Registered Auditors

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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 places 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 2026, 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 78 to 80.

The annual financial statements set out on pages 84 to 116, which have been prepared on the going concern basis, were approved by the accounting authority on 26 August 2025 and were signed on its behalf by:

Mr TC Madikane, Pr. Eng FSAIEE FSAAE
President, Seventh Term Governing Council

Dr Bridget Ssamula, Pr. Eng
Chief Executive Officer

REPORT OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE

The Audit, Risk and Compliance (ARC) Committee is pleased to present its report for the financial year ended 31 March 2025, prepared in accordance with its mandate as delegated by the Governing Council and as outlined in the Committee's approved Terms of Reference.

The Committee's oversight responsibilities encompass financial reporting, internal controls, compliance, enterprise risk management, combined assurance, and ICT governance. The Committee executes these responsibilities by considering input from both internal and external assurance providers, thereby enabling informed governance and risk oversight.

Committee Composition and Attendance

The ARC Committee, a High Impact Committee (HIC) of the Governing Council, is composed of independent and non-executive members. The President of the Governing Council is not eligible to serve as a member of the ARC.

During the year under review (01 April 2024 – 31 March 2025), the Committee consisted of eight members and convened ten times; four quarterly and six special meetings. Attendance was as follows:

Table 31: Meeting Attendance

No.	Name of Committee Members	No. of Meetings Held	No. of Meeting(s) Attended	Attendance (%)
1.	Mr M Mailula"	10	9	90
2.	Ms N Sampson	10	6	60
3.	Mr J Daniels	10	9	90
4.	Dr R Legoabe	10	6	60
5.	Ms C Mbola	10	6	60
6.	Ms S Mutileni	10	7	70
7.	Mr A Nqwaba	10	8	80
8.	Mr J Rockson	10	9	90

"*Chairperson*

Committee Responsibility

Committee Performance

During the reporting period, the Committee did not undertake a formal self-evaluation due to the transition into the 7th Term and the reconstitution of the Governing Council. However, the Committee acknowledges the importance of assessing its effectiveness in delivering on its oversight mandate. As such, a governance review has been included in the 2025/26 Internal Audit Plan, which will incorporate an evaluation of Council and Committee performance to ensure continuous improvement in governance practices.

External Audit

Following the expiry of the external audit contract, Lunika Incorporated was appointed through a formal procurement process, and the Committee subsequently reviewed and approved the Audit Strategy and Engagement Letter. The Committee is satisfied that the organisation's external auditor, Lunika Incorporated, maintains the necessary independence to perform its audit duties without undue influence from ECSA.

The Unqualified audit opinion for 2024/25, with material findings, is noted with concern by the Committee. Internal Control deficiencies were reported for financial, procurement and IT related controls. The number of findings reported reduced for contract management, which is an improvement from the previous period. Improvement areas will be monitored through the Audit Tracking process to ensure that remedial actions are implemented, to further enhance financial controls.

Review of the Annual Financial Statements

The Committee exercised its oversight responsibility over the Annual Financial Statements (AFS) prepared in accordance with the Standard of Generally Recognised Accounting Practice (GRAP) on Presentation of Financial Statements. No changes in accounting policies were implemented during the reporting period.

In fulfilling its duties, the Committee considered Management's draft AFS, Internal Audit's assurance report, and the External Auditors' Management Report, along with Management's responses. The Committee considered the material adjustments made by Management following the External Audit process and is satisfied that these have been appropriately accounted for in the Annual Financial Statements.

The ARC supports the inclusion of the audited AFS in the Annual Report and concurs with the External Auditors' conclusion and opinion on the AFS. The Committee will continue to monitor the implementation of remedial actions through the Audit Tracking process, particularly in areas where material adjustments and internal financial control deficiencies were noted.

Going concern

The Committee considered Management's assessment of ECSA's ability to continue as a going concern, informed by the improved accumulated surplus for the year under review and positive cash flow forecasts. These indicators support Management's conclusion that ECSA has adequate financial resources to remain operational for at least the next twelve months following approval of the 2024/25 Annual Financial Statements.

The Committee engaged with Management and External Audit on the assessment and confirms that there are no material uncertainties that cast significant doubt on the entity's ability to continue as a going concern and . The Committee therefore recommended to the Governing Council that ECSA will be a going concern for the foreseeable future.

Internal Audit

The Committee considered and approved a revised internal audit resourcing strategy during the period, resulting in the appointment of Ngubane Management Consultants (Pty) Ltd as the new internal assurance and advisory service provider.

While Kgatontle Consulting performed selected reviews, including the audits of the 2024/25 Annual Financial Statements and Audit of Predetermined Objectives (AoPO), overall internal audit coverage was limited during the year. For a significant portion of the reporting period, no internal audit provider was in place, which constrained the level of assurance the Committee could derive on the effectiveness of internal controls.

Internal controls

The establishment of a dedicated Combined Assurance Division and the launch of the Ethics and Compliance Business Unit in July 2024 contributed positively to strengthening the internal control environment. Within a seven-month period, ECSA's compliance maturity improved from Level 2: Defined to Level 3: Comprehensive, signalling encouraging progress.

Despite this, material findings related to financial reporting controls and policy non-compliance were noted. The Committee concludes that the internal control environment requires improvement and will continue to monitor progress through the audit tracking process to ensure the implementation of corrective actions and root cause remediation.

The Committee also notes that the absence of a permanently appointed Chief Financial Officer (CFO) was a contributing factor to certain internal control weaknesses during the reporting period. The appointment, currently underway, is expected to significantly improve financial oversight and strengthen the internal control environment.

Enterprise Risk Management

The Committee continued to provide oversight on risk management and combined assurance, as delegated by the Governing Council. The Enterprise Risk Management (ERM) Unit contributed to a notable improvement in ECSA's ERM maturity, moving from Level 2: Basic to Level 3: Comprehensive within the reporting period.

Strategic risk mitigation was monitored quarterly, and the Committee reviewed progress on key investigations and remedial actions. The Anti-Fraud and Ethics Hotline, administered independently, received no reports during the year. The Committee will continue to track implementation of corrective actions, particularly where control weaknesses were identified.

Recommendation to the Governing council

The committee has reviewed and considered the Annual Report, including the comprehensive Annual Financial Statements and has recommended it for approval by the Governing Council.

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Khomotso C. Maelane
Chairperson of the Audit, Risk and Compliance Committee
Date: 26 August 2025

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

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

1. We have audited the financial statements of the Engineering Council of South Africa set out on pages 84 to 116, which comprise the statement of financial position as at 31 March 2025, statement of Statement of Statement of Financial Performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Engineering Council of South Africa as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice and the requirements of the Engineering Profession Act (EPA).

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 responsibilities of the Lunika Inc for the audit of the financial statements section of our report.

4. We are independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to our audit in South Africa. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code.

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. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Material impairment – trades and other receivables

As disclosed in note 3 to the financial statements, the trades and other receivables balance has been significantly impaired. The allowance for impairment of trades and other receivables is R8 940 171 (2023-24: R25 259 837), which represents 14% (2023-24: 31%) of the total trades and other receivables.

Restatement of corresponding figures

8. As disclosed in note 24 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2025.

Responsibilities of the council for the financial statements

9. The council is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the EPA; and for such internal control as the council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

10. In preparing the financial statements, the council is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

11. Our 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 our 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 80, forms part of our auditor's report.

Other information

13. The council is responsible for the other information included in the annual report. The other information referred to does not include the financial statements and the auditor’s report.

14. Our opinion on the financial statements do not cover the other information included in the annual report and we do not express an audit opinion or any form of assurance conclusion on it.

15. Our responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and our knowledge obtained in the audit, or otherwise appears to be materially misstated.

16. If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Internal control deficiencies

17. We considered internal control relevant to our audit of the financial statements; however, our objective was not to express any form of assurance on it.

18. The matters outlined below pertain exclusively to significant internal control deficiencies that contributed to findings affecting the annual financial statements. These matters are presented to highlight areas requiring management attention and do not constitute a summary of any specific report.

19. Material misstatements that were subsequently corrected relating to inaccurate disclosures point to inadequate oversight and review processes during financial statement preparation, leading to errors in financial reporting.

20. Deficient controls over reconciling budget versus actual figures resulted in discrepancies and misstatements, undermining the accuracy and reliability of financial reporting.

Lunika Inc.

Lunika Chartered Accountants and Auditors Incorporated
Samkelo Mxunyelwa CA (SA)
Director
Registered Auditor

26 August 2025
Lonehill Office Park
Sandton
Johannesburg

Annexure to the auditor’s report

The annexure includes the following:

- the auditor’s responsibility for the audit

Auditor-general’s responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements.

Financial statement

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

Communication with those charged with governance

We 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 we identify during our audit.

We also provide the council with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

COUNCIL'S FIDUCIARY REPORT AND APPROVAL

The Governing Council submits its report for the year ended 31 March 2025.

1. Review of activities

Main business and operations

The Engineering Council of South Africa 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 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 engineering work which may be performed by persons registered in any category.

2. Events after the reporting date

The Governing 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.

3. Revenue

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

4. Council members

The appointment letter for the 7th-term Governing Council members was received from the Minister of Public Works and Infrastructure on 08 April 2025. The appointment letters issued to the governing council members were effective 23 April 2025. The members are listed below:

1. Mr Madikane TC ***(President)***
2. Ms Maidi M ***(Vice President)***
3. Mr Oswald E ***(Chairperson RPSC)***
4. Ms Nene VP ***(Chairperson SERC)***
5. Mr Motladile BJ ***(Chairperson RC)***
6. Prof Kearsley E ***(Chairperson ATC)***
7. Ms Maelane KC ***(Chairperson ARC Commitee)***
8. Dr Cebekhulu-Msomi P ***(Chairperson NomCom)***
9. Ms Chamane SN
10. Mr Pillay S
11. Mr McKechnie IS
12. Ms Shozi SN
13. Mr Havenga D
14. Mr Sekhoto P
15. Mr Cawdry DL
16. Ms Sishi ST
17. Dr Gareeb N
18. Mr Mbadamana S
19. Mr Meder ML
20. Ms Sulliman S
21. Prof Hattingh TS*
22. Prof Ramdass KR
23. Mr Monyatsi L
24. Ms Damane ML
25. Mr Khoza SC
26. Ms M Letebele
27. Mr Selebogo T
28. Prof Lokhat D
29. Ms Mona S
30. Mr Maluleka B
31. Mr Xawuka SJ
32. Ms Moketla SP
33. Dr Sibiya PF
34. Mr George J
35. Dr Heyns M
36. Ms Gumede NS
37. Mr Palackal S
38. Mr Khathide MP
39. Mr Pillay T ~
40. Ms Mazibuko P
41. Prof Mashinini PM
42. Dr Makgae ME
43. Mr Gcaba GS
44. Dr Govender PT
45. Dr Hashe VT
46. Dr Kabane S
47. Ms Majola K
48. Ms Koranteng N
49. Ms Ndlovu VN
50. Mr Lupuwana MV
51. Ms Mudau V

**** Resigned***
~ Changed employment (was representing State)

The outgoing members of the 6th-term Governing Council are listed below:

1. Ms Buthelezi RSM ***(President)***
2. Mr Madikane TC ***(Vice President)***
3. Mr Mailula MI ***(Chairperson ARC)***
4. Ms Skorpen S ***(Chairperson IC)***
5. Ms Madiba P ***(Chairperson RC)***
6. Prof Nyembwe K ***(Chairperson ATC)***
7. Mr Mkhize S ***(Chairperson RPSC)***
8. Mr Modipa ME ***(Chairperson SERC)***
9. Mr Ramagofu T
10. Mr Moloisane R
11. Ms Sampson N
12. Mr Nhleko N
13. Mr Daniels JHE
14. Ms Mtshali A
15. Ms Lesufi R
16. Ms Mutileni S
17. Ms Mdletshe PP
18. Ms Mngomezulu S
19. Mr Jekwa S
20. Mr Memela T
21. Mr Ramuhulu M
22. Ms Rampersad N
23. Ms Theron E
24. Ms Njomane L
25. Ms Sole AO
26. Mr Sommer AH
27. Ms Ledwaba R
28. Mr Smit N
29. Mr Zimu SN
30. Dr Legoabe RS
31. Prof van Zyl C
32. Dr Skeepers N
33. Mr Gamedze T
34. Ms Zweni P
35. Adm Mvovo B
36. Ms Sibiya P
37. Ms Mbola C
38. Ms Mwelase T
39. Mr Boshomane L
40. Ms Chili T
41. Mr Keswa S
42. Ms Tolo S

5. Secretary

The duties of the council secretariat were fulfilled by the Council Secretary.

6. Auditors

Lunika Inc. continued in office as the External Auditor.

7. 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 pages 84 to 116, which have been prepared on the going concern basis, were approved by the accounting authority on 26 August 2025 and were signed on its behalf by:

Mr TC Madikane, Pr Eng FSAIEE FSAAE
President

Dr BCB Ssamula, Pr Eng
Chief Executive Officer

STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

Figures in Rand	Note(s)	2025	2024
			Restated
Assets			
Current Assets			
Trade and other receivables	7	68 850 013	61 741 997-
Prepayments	6	2 236 222	2 013 835
Cash and cash equivalents	8	57 117 772	71 653 547
		128 204 007	**135 409 379**
Non-Current Assets			
Property, plant and equipment	2	8 507 825	8 386 625
Intangible assets	3	8 934 998	2 602 704
Investments	4	21 898 983	19 857 131
Retirement benefit asset	5	7 426 143	6 893 196
		46 767 949	**37 739 656**
Total Assets		**174 971 956**	**173 149 035**
Liabilities			
Current Liabilities			
Trade and other payables	10	49 752 515	41 388 846
VAT payable	11	700 252	60 616
Provisions	9	9 215 284	7 764 886
		59 668 051	**49 214 348**
Total Liabilities		**59 668 051**	**49 214 348**
Net Assets		**115 303 905**	**123 934 687**
Accumulated surplus		115 303 905	123 934 687
Total Net Assets		**115 303 905**	**123 934 687**

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 31 March 2025

Figures in Rand	Note(s)	2025	2024
Revenue	12	161 596 933	140 666 792
Other income	13	7 311 156	6 717 233
Operating expenses		(187 842 526)	(146 385 387)
Operating (deficit) surplus		**(18 934 437)**	**998 638**
Investment revenue		8 438 338	8 715 976
Fair value adjustments	16	1 865 317	1 623 108
(Deficit) surplus for the year		**(8 630 782)**	**11 337 722**

STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 March 2025

Figures in Rand	Accumulated surplus / deficit	Total net assets
Balance at 01 April 2023	**112 596 965**	**112 596 965**
Changes in net assets		
Surplus (deficit) for the year	11 337 722	11 337 722
Total changes	11 337 722	11 337 722
Balance at 01 April 2024	**123 934 687**	**123 934 687**
Changes in net assets		
Surplus (deficit) for the year	(8 630 782)	(8 630 782)
Total changes	(8 630 782)	(8 630 782)
Balance at 31 March 2025	**115 303 905**	**115 303 905**

Note(s)

CASH FLOW STATEMENT

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Receipts			
Cash receipts from customers		172 424 248	123 693 826
Payments			
Cash payments to suppliers and employees		(186 509 154)	(148 579 472)
Net cash flows from operating activities	19	**(14 084 906)**	**(24 885 646)**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(1 333 492)	(505 653)
Purchase of other intangible assets	3	(6 332 294)	(2 575 600)
Interest Income		7 214 917	8 715 976
Net cash flows from investing activities		**(450 869)**	**5 634 723**
Net increase/(decrease) in cash and cash equivalents		**(14 535 775)**	**(19 250 923)**
Cash and cash equivalents at the beginning of the year		71 653 547	90 904 469
Cash and cash equivalents at the end of the year	8	**57 117 772**	**71 653 546**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

For the year ended 31 March 2025

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue						
Annual fees	143 285 640	-	**143 285 640**	140 404 012	**(2 881 628)**	
Application fees	15 385 047	317 801	**15 702 848**	15 278 394	**(424 454)**	
Accreditation visits	3 274 912	2 445 262	**5 720 174**	6 423 613	**703 439**	note 28
Appeal and disciplinary fees	270 000	-	**270 000**	200 478	**(69 522)**	note 28
Recoveries	4 241 074	-	**4 241 074**	2 361 030	**(1 880 044)**	note 28
Sundry income	2 500 000	500 000	**3 000 000**	4 749 647	**1 749 647**	note 28
Interest received - investment	6 101 199	1 045 453	**7 146 652**	8 438 338	**1 291 686**	note 28
Fair value adjustments	-	-	-	1 865 317	**1 865 317**	
Total revenue from exchange transactions	**175 057 872**	**4 308 516**	**179 366 388**	**179 720 829**	**354 441**	
Expenditure						
Personnel expenditure	(117 568 888)	(531 405)	**(118 100 293)**	(112 932 104)	**5 168 189**	
Depreciation and amortisation	(4 000 000)	2 070 446	**(1 929 554)**	(1 212 293)	**717 261**	note 28
Debt impairment	(10 000 000)	(5 259 837)	**(15 259 837)**	(20 257 768)	**(4 997 931)**	note 28
Council governance	(4 542 777)	121 495	**(4 421 282)**	(2 000 912)	**2 420 370**	note 28
Engineer peer activities	(17 873 581)	(220 563)	**(18 094 144)**	(20 513 482)	**(2 419 338)**	note 28
Strategic projects	(7 650 456)	(1 412 868)	**(9 063 324)**	(6 463 717)	**2 559 607**	note 28
General expenses	(25 781 887)	(4 375 221)	**(30 157 108)**	(24 428 159)	**5 728 949**	note 28
Early bird discount	(600 000)	-	**(600 000)**	(509 086)	**90 914**	note 28
Fines and penalties	-	-	-	(34 090)	**(34 090)**	note 28
Total expenditure	**(188 017 589)**	**(9 607 953)**	**(197 625 542)**	**(188 351 611)**	**9 273 931**	
Deficit before taxation	**(12 959 717)**	**(5 299 437)**	**(18 259 154)**	**(8 630 782)**	**9 628 372**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**(12 959 717)**	**(5 299 437)**	**(18 259 154)**	**(8 630 782)**	**9 628 372**	

Refer to note 28 for explanations on material variances.

SIGNIFICANT ACCOUNTING POLICIES

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis Of Preparation

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.

These accounting policies are consistent with the previous period.

1.2 Presentation Currency

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

1.3 Going Concern Assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

Based on the current budget assumptions, ECSA will have a positive cash flow balance as at 31 March 2026.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.5 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 related information, have been disclosed in the relating notes.

Trade receivables, held to maturity investments, other receivables, and allowances for doubtful debts

The Engineering Council of South Africa 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, the provincial entity 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. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

1.5 Significant judgements and sources of estimation uncertainty *(Continued)*

Impairment testing

The Engineering Council of South Africa reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 9 - Provisions.

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.

Leave pay

The leave pay accrual is based on actual days accrued at the rate of remuneration at the reporting date. Changes in the rate of remuneration are determined annually and are effective from the first date of the financial year. The accrual is only utilised when staff resign, as unused leave is forfeited six months after the year in which it accrued.

1.6 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.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

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

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.

1.6 Property, plant and equipment *(Continued)*

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 fixtures	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 ECSA. 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 Engineering Council of South Africa assesses at each reporting date whether there is any indication that its expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, ECSArevises 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.

1.7 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.

1.7 Intangible assets *(Continued)*

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

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 3).

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).

1.8 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 orthrough the use of an allowance account) for impairment or uncollectability.

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.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes inforeign exchange rates.

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

1.8 Financial instruments *(Continued)*

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, a 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 a 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 - short term	Financial asset measured at amortised cost
Investments - Long term	Financial asset measured at fair value

The Engineering Council of South Africa 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 measured 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:

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

1.11 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

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

1.11 Impairment of cash-generating assets *(Continued)*

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standard of GRAP.

1.12 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.

1.13 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-cancelable or only cancelable 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

1.14 Revenue

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.

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.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated withthe transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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.

Investment income is recognised on a time-proportion basis using the effective interest method.

1.15 Budget information

The Council is 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 2024/04/01 to 2025/03/31.

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.

1.16 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.

1.17 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.

1.18 Risk and capital management

The council's objectives when managing capital are to safeguard its 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 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 Engineering Council of South Africa`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 Councils 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 Engineering Council of South Africa 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 Finance Division monitors rolling forecasts of the the Council 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 Engineering Council of South Africainvests 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 ECSA has no significant interest-bearing assets, the its income and operating cash flows are substantially independent of changes in market interest rates.

The Engineering Council of South Africa 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.

2. PROPERTY, PLANT AND EQUIPMENT

Figures in Rand	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Buildings	9 405 704	(3 257 241)	6 148 463	8 915 111	(3 089 297)	5 825 814
Furniture and fixtures	2 601 267	(1 916 450)	684 817	2 385 783	(1 782 919)	602 864
Motor vehicles	347 273	(312 545)	34 728	347 273	(312 545)	34 728
Office equipment	1 120 355	(1 054 179)	66 176	1 078 076	(1 033 399)	44 677
IT equipment	4 684 639	(3 944 865)	739 774	4 099 501	(3 177 469)	922 032
Computer servers	2 645 252	(2 384 021)	261 231	2 645 252	(2 384 021)	261 231
Other fixtures	2 993 742	(2 421 106)	572 636	2 993 742	(2 298 463)	695 279
Total	**23 798 232**	**(15 290 407)**	**8 507 825**	**22 464 738**	**(14 078 113)**	**8 386 625**

Reconciliation of property, plant and equipment - 2025	Opening balance	Additions	Depreciation	Total
Buildings	5 825 814	490 591	(167 942)	6 148 463
Furniture and fixtures	602 864	215 484	(133 531)	684 817
Motor vehicles	34 728	-	-	34 728
Office equipment	44 677	42 279	(20 780)	66 176
IT equipment	922 032	585 138	(767 396)	739 774
Computer servers	261 231	-	-	261 231
Other fixtures	695 279	-	(122 643)	572 636
	8 386 625	**1 333 492**	**(1 212 292)**	**8 507 825**

2. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Figures in Rand

Reconciliation of property, plant and equipment - 2024	Opening balance	Additions	Classification change	Disposals	Other changes, movements	Depreciation	Impairment loss	Total
Buildings	5 154 951	1 223 118	-	-	(396 322)	(155 933)	-	5 825 814
Furniture and fixtures	646 128	82 146	-	(24 975)	-	(100 435)	-	602 864
Motor vehicles	97 237	-	-	-	-	(62 509)	-	34 728
Office equipment	60 115	-	-	-	-	(15 438)	-	44 677
IT equipment	1 170 473	423 507	-	(19 429)	-	(652 519)	-	922 032
Computer servers	273 970	-	-	-	-	(12 739)	-	261 231
Other fixtures	1 677 591	-	(1 223 118)	(944)	396 322	(121 789)	(32 783)	695 279
	9 080 465	**1 728 771**	**(1 223 118)**	**(45 348)**	**-**	**(1 121 362)**	**(32 783)**	**8 386 625**

Details of property

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

The body corporate received an interest to purchase the property from a residential developer, meetings are yet to be held discuss the prospects of this interest with the purchaser. No formal decisions have been taken and no formal meetings have been held between the potential seller and the Body Corporate.

Other information

Property, plant and equipment fully depreciated and still in use (Gross carrying amount)

Motor vehicle	34 728	-
Computer servers	261 231	-
Office fixtures	9 349	-
	305 308	-

An impairment testing was carried out in the current year, a decision to impair or repair some of the assets is still pending as the office renovation project has been put on hold.

2. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Figures in Rand	Note(s)	2025	2024
Details of properties			
Property 1			
Section 8 (First Floor) - Purchased: 29 April 2009			
- 631, 383, 237 square meters Sections 5, 6, 7 respectively (First Floor) T013126/2009		6 275 750	6 275 750
- Additions since purchase or valuation		1 223 118	1 223 118
		7 498 868	**7 498 868**
Property 2			
Section 10 (Second Floor) - Purchased 30 September 1999			
212, 329 square meters, Second floor T57554/1999		1 411 243	1 411 243
		-	-
		1 411 243	**1 411 243**
Property 3			
Section 16 5 Square meters, Basement T044549/2005 Purchased: 10 August 2005		5 000	5 000

The reclassification recorded under Buildings relates to improvement to property that was previously recorded as a separate property, plant and equipment item. A change in estimate was applied in the previous year.

Property , plant and equipment in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Buildings		490 593	-

The cumulative expenditure relates to the current building renovation project that is currently underway.

3. INTANGIBLE ASSETS *(Continued)*

Figures in Rand	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	6 982 414	(6 955 310)	27 104	6 982 414	(6 955 310)	27 104
Intangible assets under development	8 907 894	-	8 907 894	2 575 600	-	2 575 600
Total	**15 890 308**	**(6 955 310)**	**8 934 998**	**9 558 014**	**(6 955 310)**	**2 602 704**

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Total
Computer software, other	27 104	-	27 104
Intangible assets under development	2 575 600	6 332 294	8 907 894
	2 602 704	**6 332 294**	**8 934 998**

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software, other	721 565	-	(694 461)	27 104
Intangible assets under development	-	2 575 600	-	2 575 600
	721 565	**2 575 600**	**(694 461)**	**2 602 704**

Intangible assets in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of Intangible assets

Computer software, other	**6 332 294**	2 575 600

The CRM system is currently under development, parts of the system have been commissioned after year end, development is still underway.

Figures in Rand	Note(s)	2025	2024

4. INVESTMENTS

Designated at fair value			
Strategic Investment Services Inflation (SIS) Equity Fund		21 898 983	19 857 131
Non-current assets			
Strategic Investment Services Inflation (SIS) Plus 1-3 investment		21 898 983	19 857 131

5. RETIREMENT BENEFIT ASSET

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

Carrying value			
Present value of the defined benefit asset		7 426 143	6 893 196

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 were audited and preliminary liquidation accounts were submitted to the FSCA, and to date no response has been received.

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. It is not possible to reasonably estimate the conclusion period for this process and the period when the surplus funds will be paid to ECSA.

6. PREPAYMENTS

Prepaid VAT		1 600 336	1 940 940
Prepaid expenses		635 886	72 895
		2 236 222	**2 013 835**

Prepaid VAT is related to unknown and unallocated deposits in respect of annual and application fees.

7. TRADE AND OTHER RECEIVABLES

Trade debtors		62 479 715	80 355 383
Staff debtors		3 510 551	2 607 282
Deposits		9 256 952	4 039 169
Impairment for bad debts		(8 940 171)	(25 259 837)
Accrued income		43 197	-
VAT accrual		2 499 769	-
		68 850 013	**61 741 997**

Staff debtors were previously classified under payables; refer to note 24. A significant portion of the debt relates to bursaries awarded to employees, which should be refunded if an employee resigns before fulfilling the work-back obligation. An insignificant portion relates to staff advances.

Deposits relate to an amount paid to furnish security in terms of the Labour Relations Act 66 of 1995 and to the current property renovation project.

Figures in Rand	Note(s)	2025	2024

7. TRADE AND OTHER RECEIVABLES *(Continued)*

Fair value of trade and other receivables

Trade and other receivables		68 850 013	61 741 997

Trade and other receivables impaired

As of 31 March 2025, trade and other receivables of **R 34 736 988** **(2024: R 744 750)** were impaired and provided for.

The amount of the provision was **R 8 940 171** as of 31 March 2025 (**2024: R 25 259 837**).

Bad debts that accumulated over three years were approved for write off in the current year, hence the increase in the amounts wirtten off .

Reconciliation of provision for impairment of trade and other receivables

Opening balance		25 259 837	10 847 782
Provision for impairment raised		8 940 171	15 156 805
Current year provision shortfall		9 477 151	-
Amounts written off		(34 736 988)	(744 750)
		8 940 171	**25 259 837**

Management has assessed that the unimpaired amounts that are past due by more than 30 days are still collectible, based on historical payment behaviour.

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Bank balances		**57 117 772**	**71 653 547**

The cash and cash equivalents held by ECSA may only be used in accordance with its mandate. No restrictions have been placed on the use of cash and cash equivalents for operations.

The ECSA maintains an operating cash float in its current account and call deposit accounts. The rest is invested in long term investment.

9. PROVISIONS

Reconciliation of provisions - 2025

	Opening Balance	Provision raised	Paid during the year	Shortfall in provision	Total
Leave pay provision	1 767 412	787 114	-	-	2 554 526
Provision for bonus	4 854 532	6 079 250	(4 937 352)	82 820	6 079 250
Legal proceedings	-	431 508	-	-	431 508
Other provisions	1 142 942	150 000	(1 142 942)	-	150 000
	7 764 886	**7 447 872**	**(6 080 294)**	**82 820**	**9 215 284**

Reconciliation of provisions - 2024

	Opening Balance	Provision raised	Paid during the year	Unused during the year	Total
Leave pay provision	1 554 001	213 411	-	-	1 767 412
Provision for bonus	2 600 000	4 854 532	(2 526 437)	(73 563)	4 854 532
Other provisions	150 000	992 942	-	-	1 142 942
	4 304 001	**6 060 885**	**(2 526 437)**	**(73 563)**	**7 764 886**

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. Current year provision increased due to increased number of employees.

Provision for bonus has been recorded at the budgted amount, the estimate is based on prior year performance.

The Engineering Council of South Africa is involved in ongoing CCMA cases and estimates a potential outflow recorded above to close the current matters.

Other provision is for the 2024/25 workmen's compensation.

10. TRADE AND OTHER PAYABLES

Trade payables	4 359 964	2 059 353
Payroll liabilities	2 582 955	2 756 999
Trade debtors with credit balances	20 147 703	15 928 308
Accrued expense	10 179 080	4 647 902
Payment received in advance - application fees	8 021 452	1 911 745
Unallocated receipts - Annual fees	4 461 361	13 148 934
EWSETA Grant	-	28 210
VAT accrual	-	907 396
	49 752 515	**41 388 846**

Trade debtors with credit balances relates to existing account that have made payments in advance and for new applications. Accruals includes costs related to the ICT system development that is currently underway.

Payment received in advance is made up of receipts received from applicants. Applicants are required to deposit funds before applications could be considered.

Unallocated receipts are bank receipts with incorrect or incomplete reference numbers.

Staff debtors has been reclassified from Payables to Receivables, refer to note 25.

11. VAT PAYABLE

VAT payable	**700 252**	**60 616**

ECSA accounts for VAT on a payment basis, meaning VAT returns are prepared and submitted based on actual receipts and payments. The VAT payable balance reflects the net amount related to invoices that have been invoiced and settled by debtors and paid to suppliers. In contrast, the VAT accrual balance disclosed under receivables and payables reflects amounts related to transactions that have been invoiced but not yet settled by debtors or paid to supplier.

Figures in Rand	Note(s)	2025	2024

12. REVENUE

Annual fees		139 894 926	119 772 573
Application fees		15 278 394	16 265 120
Accreditation fees		6 423 613	4 629 099
		161 596 933	**140 666 792**

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

Annual fees		139 894 926	119 772 573
Application fees		15 278 394	16 265 120
Accreditation visits		6 423 613	4 629 099
		161 596 933	**140 666 792**

13. OTHER INCOME

Appeal fees		14 609	109 217
Bad debts recovered		2 361 030	4 958 554
Disciplinary fines		185 870	134 783
Sundry income		4 749 647	1 491 320
Proceeds from sale		-	23 359
		7 311 156	**6 717 233**

Sundry income includes prescribed amounts from unknown deposits and payment received in advance.

14. PERSONNEL EXPENSES

Basic salary		94 424 695	72 305 767
Medical aid - company contributions		1 495 304	1 352 894
Unemployment insurance fund		262 175	220 568
Skills development levy		890 769	649 808
Staff insurance		111 901	57 300
Defined contribution plans		7 857 435	5 590 226
Meal allowance		686 400	721 500
		105 728 679	**80 898 063**

Figures in Rand	Note(s)	2025	2024

15. GENERAL EXPENSES

Auditors remuneration		668 193	1 015 666
Bank charges		495 579	409 198
Consulting and professional fees		1 546 873	1 053 359
Legal expenses		10 974 630	4 164 764
Insurance		583 300	532 315
IT expenses		6 571 469	8 146 476
Motor vehicle expenses		46 196	34 635
Placement fees		1 151 410	661 748
Printing and stationery		316 282	140 978
Marketing and Branding		2 800 948	1 689 371
Strategic projects		6 463 717	6 312 155
Repairs and maintenance		518 954	873 110
Staff welfare		1 565 951	1 387 407
Subscriptions and membership fees		688 216	483 762
Telephone and fax		495 762	423 380
Staff study assistance and training		1 464 580	594 396
Travel - local		2 770 600	2 679 180
Travel - overseas		2 990 682	3 085 505
Electricity		1 603 970	1 479 434
Engineer peer services		13 031 001	10 324 310
Office expenditure		473 356	512 851
Investment fees		193 726	173 906
Rental expense		406 538	411 943
Council governance		1 656 634	1 107 575
Conference expenses		404 174	269 196
Parking expenses		33 036	34 617
		59 915 777	**48 001 237**

Legal fees relates to labour relations matters and other legal support services that were sought in the current financial year.

Engineer peer services relates to work performed when executing the mandate of ECSA, the work excludes support business units related work.

Figures in Rand	Note(s)	2025	2024

16. FAIR VALUE ADJUSTMENTS

Other financial assets			
▪ Other financial assets (Designated as at FV through P&L		**1 865 317**	**1 623 108**

17. AUDITORS' REMUNERATION

External audit		424 868	471 368
Internal audit		243 325	544 298
		668 193	**1 015 666**

A contract for Internal audit was terminated in the current year, and a procurement process to appoint a new service provider is underway.

18. OPERATING LEASE

The Council leases a portion of the common Kitchen area from the body corporate. The terms of the lease are currently under review due to the planned building renovation. The lease currently operates on a month to month basis. The escalation has been set at 7% per annum. No contingent rent is payable.

19. CASH USED IN OPERATIONS

(Deficit) surplus		(8 630 782)	11 337 722
Adjustments for:			
Depreciation and amortisation		1 212 292	1 815 822
Gain on sale of assets and liabilities		7 030	-
Movement in investment - Fair value		(1 865 317)	(1 538 113)
Interest income		(7 214 914)	(8 715 976)
Movement in investment - non cash		(176 538)	-
Movements in retirement benefit assets		(532 947)	(492 156)
Movements in provisions		1 450 398	3 460 885
Fixed assets impaired		-	32 783
Loss on sale of assets		-	(23 359)
Changes in working capital:			
Trade and other receivables		(3 559 207)	(36 246 216)
Prepayments		(222 387)	(595 006)
Trade and other payables		7 246 983	5 109 957
VAT		(1 799 517)	968 011
		(14 084 906)	**(24 885 646)**

20. FINANCIAL INSTRUMENTS DISCLOSURE

Categories of financial instruments

2025

Financial assets

	At fair value	At amortised cost	Total
Investments	21 898 983	-	21 898 983
Trade and other receivables	-	68 850 013	68 850 013
Cash and cash equivalents	-	57 117 772	57 117 772
	21 898 983	**125 967 785**	**147 866 768**

20. FINANCIAL INSTRUMENTS DISCLOSURE *(Continued)*

Financial liabilities

	At amortised cost	Total
Trade and other payables	49 752 515	49 752 515

2024

Financial assets

	At fair value	At amortised cost	Total
Investments	19 857 131	-	19 857 131
Trade and other receivables	-	61 741 997	61 741 997
Cash and cash equivalents	-	71 653 547	71 653 547
	19 857 131	**133 395 544**	**153 252 675**

Financial liabilities

	At amortised cost	Total
Trade and other payables	41 388 846	41 388 846

Figures in Rand	Note(s)	2025	2024

21. COMMITMENTS

Authorised capital expenditure

Already contracted for			
▪ Property, plant and equipment		139 462	-
▪ Intangible assets - CRM renovation		4 435 977	11 123 325
		4 575 439	**11 123 325**
Total capital commitments			
Already contracted for		4 575 439	11 123 325

Authorised operational expenditure

Already contracted for			
▪ External audit		-	475 000
▪ Internal audit		-	1 781 707
▪ Other audits		-	1 180 148
▪ Business process re-engineering		-	770 500
▪ Other operational contracts		1 518 045	-
		1 518 045	**4 207 355**
Not yet contracted			
▪ External audit		2 198 240	-
▪ Revenue Framework Modelling		468 720	-
		2 666 960	**-**
Total operational commitments			
Already contracted for		1 518 045	4 207 355
Not yet contracted for and authorised		2 666 960	-
		4 185 005	**4 207 355**

This committed expenditure relates to operational expenditure and capital expenditure and will be financed by available retained surpluses and existing cash resources.

22. CONTINGENCIES

The ECSA is aware of pending labour matters and has, in consultation with its legal representative assessed the outcome of the matters. A security deposit has been paid over to the legal representative for one matter that is currently underway. The long pending matters were estimated to be concluded in two years, however they are still in progress.

Figures in Rand	Note(s)	2025	2024

23. RELATED PARTIES

Related party balances

The value of transactions between ECSA and CBE are as follows:		1 041 390	847 182

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

Governing Council Members

2025

	Governance	Peer services and other meetings	Travel related expenses	Total
Names				
Buthelezi R	44 989	133 291	127 671	305 951
Madikane T	55 131	108 762	43 168	207 061
Mailula I (ARC)	68 213	12 429	3 165	83 807
Skorpen S	30 178	-	520	30 698
Madiba P	67 129	51 566	676	119 371
Nyembwe K	63 139	165 939	10 045	239 123
Mkhize S	27 735	-	-	27 735
Modipa M	93 069	15 215	884	109 168
Sampson N (ARC)	50 138	3 374	104	53 616
Mutileni S (ARC)	49 978	-	500	50 478
Daniels J (ARC)	45 400	9 642	458	55 500
Lesufi R	54 406	21 143	3 307	78 856
Moloisane R	63 209	279 570	22 757	365 536
Ramagofu T	49 728	43 855	-	93 583
Nhleko N	12 124	3 254	-	15 378
Njomane L	52 692	2 541	2 870	58 103
Mngomezulu S	-	11 034	-	11 034
Jekwa S	42 031	-	-	42 031
Ramuhulu M	44 436	10 267	720	55 423
Mdletshe P	20 284	16 694	1 055	38 033
Boshomane L	41 068	-	1 647	42 715
Rampersad N	69 362	42 458	956	112 776
Sole A	32 658	170 351	2 328	205 337
Ledwaba R	39 817	112 910	582	153 309
Smit N	53 192	44 952	4 260	102 404
Zimu S	34 265	-	572	34 837
Legoabe R (ARC)	48 246	-	-	48 246
Van Zyl C	54 004	47 617	1 225	102 846
Skeepers N	31 176	-	-	31 176
Gamedze T	4 738	-	1 040	5 778
Mbola C (ARC)	500	-	-	500
Mwelase T	-	1 044	-	1 044
Chili T	41 549	3 214	-	44 763
Keswa S	68 261	-	468	68 729
Tolo S	37 604	14 169	3 344	55 117
Nqwaba A (ARC)	30 926	-	-	30 926
Rockson J (ARC)	20 784	3 214	312	24 310
Mtshali H	20 554	-	270	20 824
	1 562 713	**1 328 505**	**234 904**	**3 126 122**

23. RELATED PARTIES *(Continued)*

2024

Names	Governance	Peer services and other meetings	Travel related expenses	Total
Buthelezi R	31 287	294 533	86 533	412 353
Madikane T	42 807	181 127	8 592	232 526
Mailula I (ARC)	61 796	25 578	4 792	92 166
Skorpen S	33 167	4 506	1 102	38 775
Madiba P	47 060	110 990	2 683	160 733
Nyembwe K	48 690	159 777	7 030	215 497
Mkhize S	49 313	-	-	49 313
Modipa M	66 084	30 520	1 248	97 852
Sampson N (ARC)	33 067	18 723	-	51 790
Mutileni S (ARC)	69 110	11 564	-	80 674
Daniels J (ARC)	44 232	20 110	1 185	65 527
Lesufi R	39 125	144 129	19 193	202 447
Moloisane R	53 885	318 581	6 029	378 495
Ramagofu T	70 213	40 037	499	110 749
Nhleko N	24 005	-	4 045	28 050
Njomane L	50 464	14 644	800	65 908
Mngomezulu S	-	1 728	1 164	2 892
Jekwa S	22 278	9 762	-	32 040
Memela T	13 016	9 012	-	22 028
Sampson N (ARC)	60 301	116 109	-	176 410
Daniels J (ARC)	35 044	36 167	3 323	74 534
Keswa S	32 040	-	3 370	35 410
Legoabe R (ARC)	31 915	6 258	715	38 888
Skeepers N	43 649	88 091	4 659	136 399
Smit N	12 766	-	-	12 766
Mthethwa O	32 040	100 637	-	132 677
Skorpen S	39 645	26 628	1 757	68 030
Jekwa S	27 034	3 004	2 048	32 086
Zimu N	51 564	9 262	-	60 826
Chili T	22 778	8 742	1 820	33 340
Mkhize S	27 659	3 254	-	30 913
Memela T	1 706	2 548	-	4 254
Smith L	3 254	3 004	-	6 258
Nhleko N	-	1 507	-	1 507
Mtshali H	30 163	3 254	1 500	34 917
Sommer A	39 425	6 008	364	45 797
Mbola C (ARC)	40 402	37 757	9 343	87 502
Mngomezulu S	4 881	31 783	-	36 664
Nqwaba A (ARC)	29 737	1 627	-	31 364
Rockson J (ARC)	21 213	8 135	-	29 348
	1 386 815	**1 889 096**	**173 794**	**3 449 705**

The following members did not submit claims due to the nature of their employment:

1. Mvovo B
2. Theron E
3. Zweni P
4. Sibiya P

5 Memela T

23. RELATED PARTIES *(Continued)*

Figures in Rand	2025	2024

Management class: Executive management

2025

Name	Annual remuneration	Contributions to retirement plan	Travel allowance	Cellphone allowance	Bonus	Termination benefits	Acting allowance	Total
Chief Executive Officer	3 417 312	327 687	-	24 000	735 000	-	-	4 503 999
Executive: Regulatory Services & International Relations	2 382 642	235 377	72 000	24 000	452 426	-	-	3 166 445
Executive:Chief Finance Officer	520 476	66 306	-	6 000	-	261 297	-	854 079
Executive: Statutory Services	2 362 504	226 542	-	24 000	348 432	-	-	2 961 478
Executive Corporate Support Services	2 362 504	226 542	-	24 000	-	-	-	2 613 046
Executive Strategy and Growth	2 362 504	226 542	-	24 000	-	-	-	2 613 046
Executive Combined Assurance	2 128 260	212 552	-	22 000	-	-	-	2 362 812
Council Secretary	1 234 320	113 321	-	14 000	-	144 660	-	1 506 301
Acting Chief Finance Officer	-	-	-	-	-	-	310 385	310 385
Acting Council Secretary	-	-	-	-	-	-	70 898	70 898
	16 770 522	**1 634 869**	**72 000**	**162 000**	**1 535 858**	**405 957**	**381 283**	**20 962 489**

2024

Name	Annual remuneration	Contributions to retirement plan	Travel allowance	Cellphone allowance	Bonus	Termination benefits	Acting allowance	Total
Chief Executive Officer	3 148 125	301 875	-	24 000	-	-	-	3 474 000
Executive: Regulatory Services & International Relations	2 280 192	219 978	72 000	24 000	209 895	-	-	2 806 065
Executive: Chief Finance Officer	2 584 953	247 872	-	24 000	132 375	-	-	2 989 200
Executive: Legal Services	1 030 376	98 803	-	14 000	45 227	67 364	-	1 255 770
Executive: Statutory Services	1 766 358	169 377	-	24 000	33 921	-	-	1 993 656
Executive Corporate Support Services	157 500	15 103	-	2 000	-	-	-	174 603
Executive Strategy and Growth	196 875	18 878	-	2 000	-	-	-	217 753
Acting Chief Finance Officer	-	-	-	-	-	-	186 858	186 858
	11 164 379	**1 071 886**	**72 000**	**114 000**	**421 418**	**67 364**	**186 858**	**13 097 905**

The CFO and Council Secretary positions became vacant during the year, the positions have been filled temporarily on acting basis, recruitment processes are underway.

Figures in Rand	Note(s)	2025	2024

24. PRIOR PERIOD ERRORS

Staff debtors were previously reported under Payables, and have now been reclassified as Receivables.

VAT payable / receivable was previsoulsy reported inclusive of VAT accrual debit/credit, this has been corrected.

The correction of the error(s) results in adjustments as follows:

Statement of Financial Position			
Trade and other payables		(2 566 612)	(2 566 612)
Trade and other receivable		2 566 612	2 566 612
VAT accrual		907 396	907 396
VAT		(907 396)	(907 396)
Cash Flow Statement			
Cash flow from operating activities			
Trade and other payables		(2 566 612)	(2 566 612)
Trade and other receivables		2 566 612	2 566 612
		-	-

25. RISK MANAGEMENT

Financial risk management

The entity’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The ARC Committee monitors and manages the financial risks relating to the operations of the Council through quarterly reports prepared by the internal auditors and the risk business unit. These risks include market risk, credit risk and liquidity risk.

Liquidity risk

The entity is exposed to liquidity risk for the payment of its payables. These payables are all due within the short-term. The entity manages its liquidity risk by holding suficient cash in its bank account.The entity manages liquidity risk through an ongoing review of future commitments against actual cashflows and by maintaining adequate reserves.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables consist of annual fee billed accounts, accreditations and one security deposit related to CCMA cases and staff debtors. Expected credit losses have been considered for all categories however, the impact was found to be immaterial for staff debtors, security deposit and Accreditation customers. Staff debtors are deducted from payroll and accreditation billing is settled within 3 months of billing, as a result, the line items were assessed as a low credit risk as the counter-parties are deemed to have a strong ability to settle the accounts.

The risk on annual fee debtors was assessed as high and a credit loss has been provided. In their assessment, management considers, amongst other factors,forward-looking quantitative and qualitative information. Forward-looking information includes an adverse change in the economic environment, the assessment of the future outlook of the industry in which the debtor operates, internal policy changes and the most recent news or market conversations.

Although the credit risk has increased, the loss is low due to expected policy changes and system developments that will reduce credit loss. The carrying amount of trade and other receivables recognised in the financial statements, which is net of impairment losses, represents the council's maximum exposure to credit risk.

Figures in Rand	Note(s)	2025	2024

25. RISK MANAGEMENT *(Continued)*

Financial instrument	2025	2024
Trade receivables	68 850 013	61 741 997
Cash and cash equivalents	57 117 772	71 653 547
Investments	21 898 983	19 857 131

Market risk

Interest rate risk

As ECSA has significant interest-bearing assets that are dependent of changes in market interest rates.

Fair value interest rate risk

Foreign exchange risk

The Engineering Council of South Africa operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The entity does not hedge foreign exchange fluctuations.

26. GOING CONCERN

We draw attention to the fact that at 31 March 2025, the Council had an accumulated surplus of **R115 303 905** and that the Council's total assets exceed its liabilities by **R115 303 905.**

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.

27. EVENTS AFTER THE REPORTING DATE

The Engineering Council of South Africa is not aware of any matter or circumstance arising since the end of the financial year to the date of this report, in respect of matters that would require adjustment to the annual financial statements.

28. BUDGET DIFFERENCES

Material differences between budget and actual amounts

REVENUE

The total revenue for the period ended 31 March 2025 is **R179.72** million compared to the budgeted amount of **R179.36 million**. The difference is mainly attributable to the following:

Accreditation visits
A positive variance of **R0.7 million** is due to a revised accreditation schedule, which resulted in increased programs.

Recoveries
A negative variance of **R1.88 million** is attributable to a suspended bad debt write off in the previous year.

Sundry income
A positive variance of **R1.75 million** is due prescribed deposits accounts and other income initiatives from marketing initiatives.

Interest received.
A positive variance of **R1.29 million** is due to stable cash reserves and favourable market conditions.

EXPENDITURE

The total actual expenditure is **R188.35 million** compared to the budgeted value of **R197.63 million**. The difference is mainlyattributable to the following:

Depreciation and amortisation
A positive variance of **R0.7 million** is due to intangible assets that are currently under development.

Debt impairment
A negative variance of **R5 million** is due a shortfall in the provision resulting from the approved write off.

Council governance
A positive variance of **R2.42 million** is due to savings made from holding virtual meetings, reduced travel and unspent funds for induction of the new governing council.

Engineer peer activities
A negative variance of **R2.42 million** is mainly attributable to Registration processes that were concluded and the revised accreditation schedule

Strategic Projects
A positive variance of **R2.60 million** is attributable to savings made on planned activities and projects that were in progress at year end.

General expenses
A positive variance of **R 5.73 million** is due to savings realised on operational activities, an overspending on legal fees included in this line item was approved.

Early bird discount
A positive variance of **R0.9 million** is due to a lower number of early payments.

Fines
No budget is set for fines and penalties.

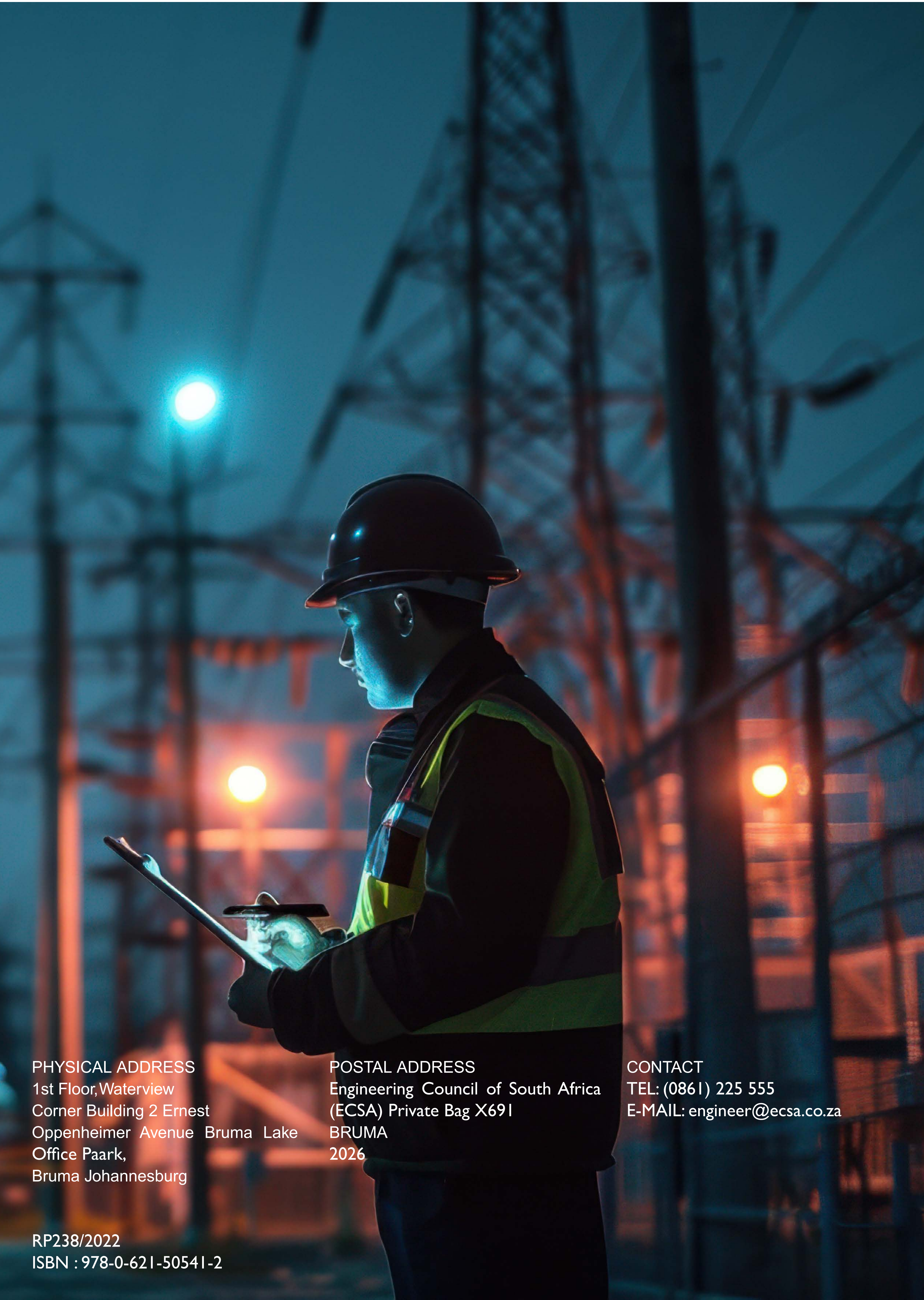
DETAILED INCOME STATEMENT

Figures in Rand	Note(s)	2025	2024
Revenue			
Annual fees		139 894 926	119 772 573
Application fees		15 278 394	16 265 120
Accreditation visits		6 423 613	4 629 099
Appeal fees		14 609	109 217
Recoveries		2 361 030	4 958 554
Disciplinary fines		185 870	134 783
Sundry income		4 749 647	1 491 320
Gain on disposal of assets		-	23 359
Interest received - investment		8 438 338	8 715 976
Fair value adjustments		1 865 317	1 623 108
Total revenue		**179 211 744**	**157 723 109**
Expenditure			
Employee related costs	15	(105 728 679)	(80 898 063)
Depreciation and amortisation		(1 212 292)	(1 815 822)
Lease rentals on operating lease		(720 980)	(513 460)
Debt Impairment		(20 257 768)	(15 156 805)
Loss on disposal of assets		(7 030)	-
General Expenses	16	(59 915 777)	(48 001 237)
Total expenditure		**(187 842 526)**	**(146 385 387)**
(Deficit) surplus for the year		**(8 630 782)**	**11 337 722**

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

NOTES:

NOTES:



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