

Mr. Tyobeka
Bismark Tyobeka (CEO) NNR

2013/10/14



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- Performance Against Objectives
- Linking Performance with Budgets
- Human Resources Oversight Statistics
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INTRODUCTION

The National Nuclear Regulator (NNR) is a public entity which is established and governed in terms of Section 3 of the National Nuclear Regulator Act, (Act no. 47 of 1999), to provide for the protection of persons, property and the environment against nuclear damage, through the establishment and enforcement of safety standards and regulatory practices.

Vision
To be an independent world-class regulatory authority on nuclear safety.


Mission
To provide and maintain an effective and efficient national regulatory framework for the protection of persons, property and the environment against nuclear damage.

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HIGHLIGHTS


1. The NNR Board successfully met and fulfilled its fiduciary duties during the period under review
2. The NNR obtained an unqualified audit report for the fourth year in succession during 2012/13 financial year
3. The Board approved business case for the establishment of the laboratory in 2011. The Executive concluded strategic partnerships with the Agricultural Research Council (ARC) and the National Metrology Institute of South Africa (NMISA) Radioactivity Standards Laboratory to establish NNR verification facilities in Pretoria and Cape Town respectively.

Attended all the IAEA Safety Standards Committee meetings.




HIGHLIGHTS

5. The international obligations of South Africa were fulfilled through NNR's participation at both the 2nd Extraordinary Meeting of Contracting Parties to the Convention on Nuclear Safety, and the 3rd meeting of the Commission on Safety Standards, held at the IAEA in Vienna.
6. Complied and submitted South Africa's National Report to the Convention on Nuclear Safety (CNS).




HIGHLIGHTS

7. Continued to actively participate in the activities of the Multinational Design Evaluation Programme (MDEP). In this regard, the NNR attended the MDEP Policy Group meeting in Washington, DC during the review period.
8. Signed bilateral cooperation agreement with the Russian Federation
9. The NNR continued to represent South Africa in the technical working groups of the Forum for Nuclear Regulatory Bodies in Africa (FNRA).




HIGHLIGHTS

10. NNR and the Directorate Radiation Control continued to participate in the IAEA Regional project RA/F00938 "Promoting Self-assessment and Networking of Regulatory Bodies for Safety Networking of Regulatory Bodies".
11. Participated in the NATOOC (Joint Operation Committee) to establish the national security plan and identify resources required for implementation of Major Public Events, e.g. during AFCON 2013.
12. Achieved a performance rating of 81% against the set objectives and targets, which is above the 80% threshold set by the NNR Board.




HIGHLIGHTS

13. All nuclear facilities in the country were inspected and found to be generally compliant with the required safety standards, as stipulated in the NNR technical specification.
14. Conducted a nuclear regulatory emergency exercise to test the effectiveness of the Koeberg Nuclear Power Station's emergency preparedness and response arrangements.



HIGHLIGHTS

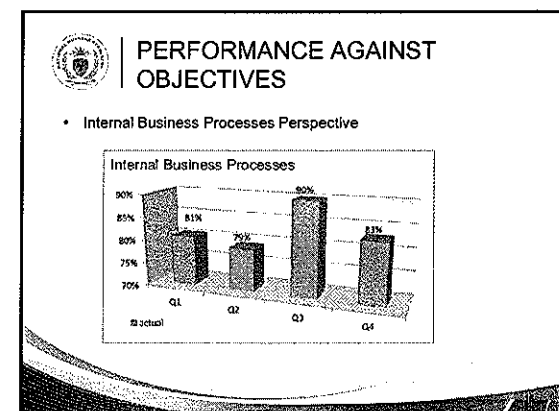
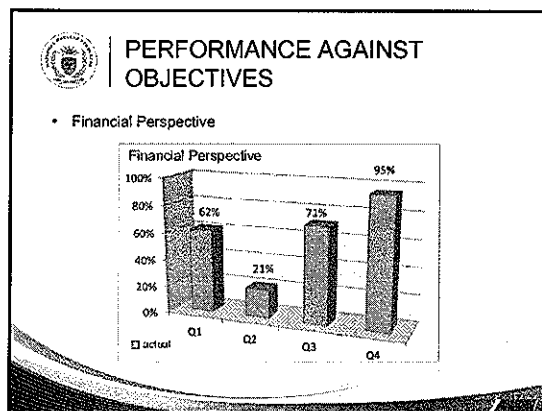
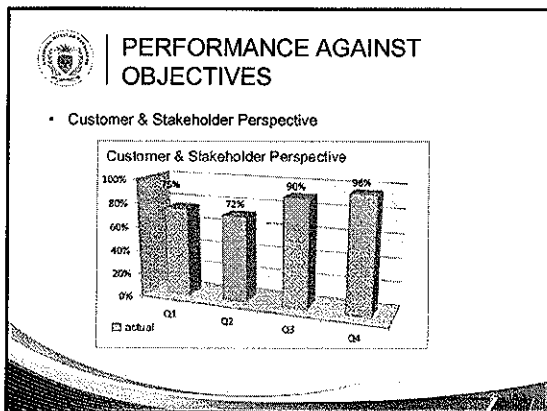
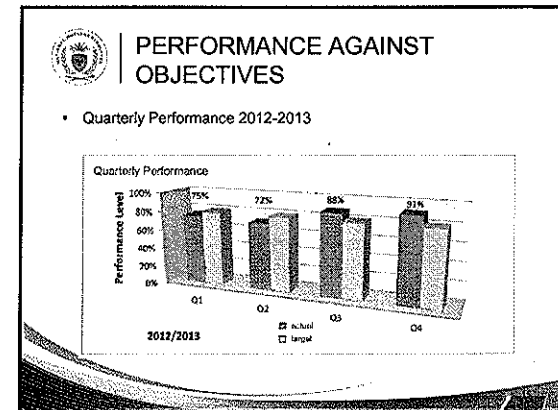
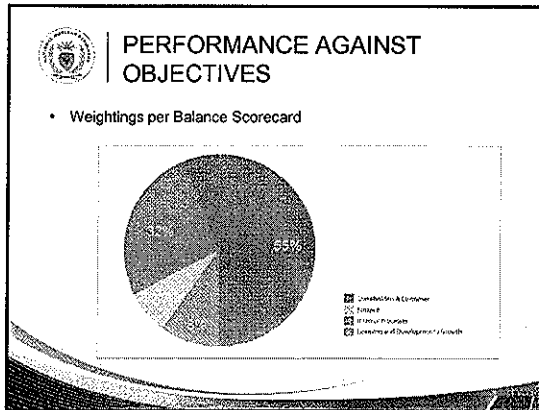
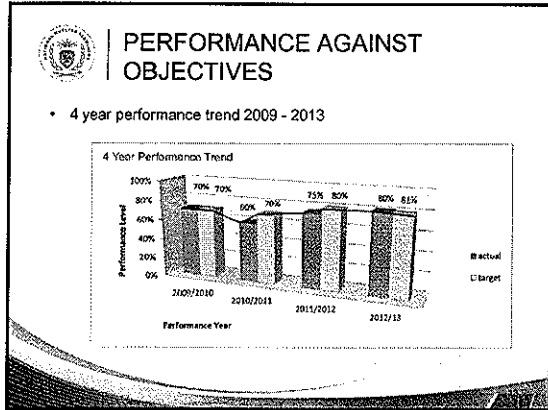
15. During the year under review, we continued to manage the balance sheet conservatively. The total operating revenue for the year was R134, 889 million, of which R99,068 million was derived from Authorisation fees, R447,160 from Application fees, and R30,912 million came by way of a direct Government grant.
16. The NNR has received 4 unqualified audit reports in 4 succession years



HIGHLIGHTS

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• Capital Investment, Maintenance and Asset Management Plan

LINKING PERFORMANCE WITH BUDGETS

Programme Area	Actual Expenditure	Budget Expenditure	Variance
Capital Investment	12,000	12,000	0
Maintenance	12,000	12,000	0
Asset Management	12,000	12,000	0
TOTAL	36,000	36,000	0

• Programme Expenditure

LINKING PERFORMANCE WITH BUDGETS

Programme Area	Actual Expenditure	Budget Expenditure	Variance
Capital Investment	12,000	12,000	0
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• Summary of Financial Information

LINKING PERFORMANCE WITH BUDGETS

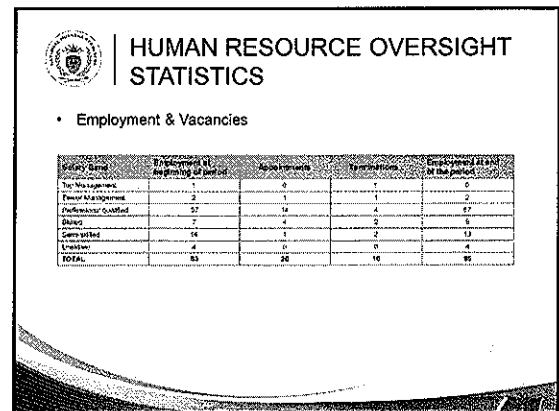
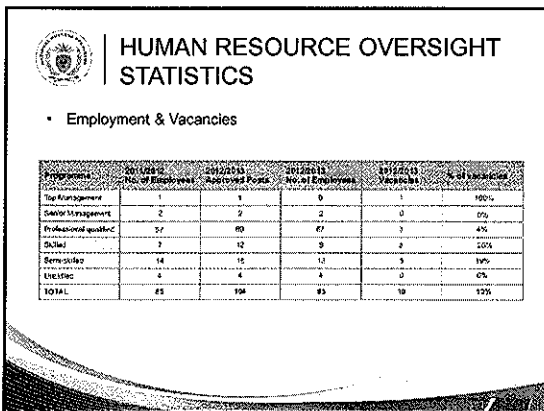
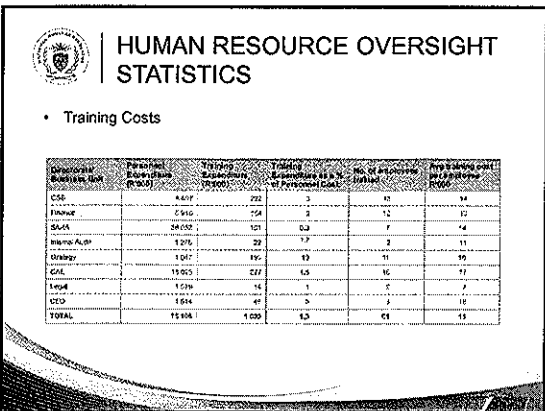
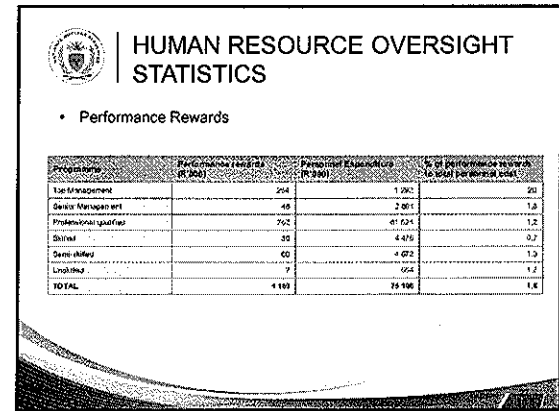
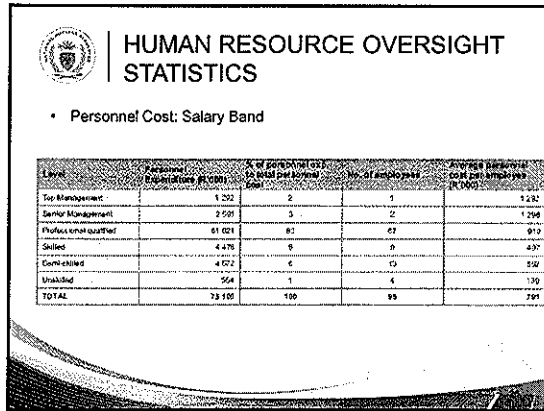
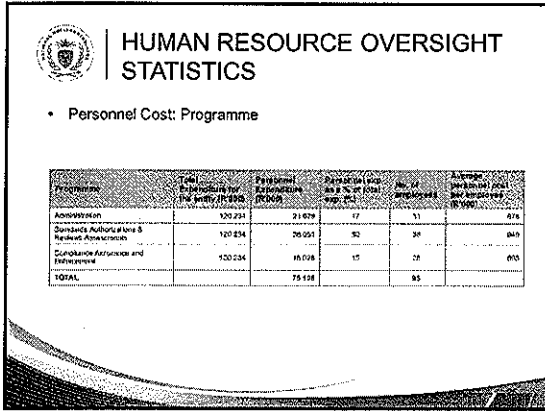
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• Learning & Growth Perspective

PERFORMANCE AGAINST OBJECTIVES

Quarter	Performance (%)
Q1	82%
Q2	83%
Q3	84%
Q4	84%



REGULATION OF NUCLEAR ACTIONS

- The regulation of nuclear activities by the NNR is performed by two technical divisions, namely Standards, Authorisation, Reviews and Assessments (SARA) and Compliance Assurance and Enforcement (CAE).
- The SARA Division is primarily responsible for the development of nuclear safety standards, granting nuclear authorisations; conducting safety reviews and managing special nuclear related projects.
- The CAE division is primarily responsible for the establishment of systems related to compliance and enforcement over nuclear safety and security. These include conducting compliance assurance inspections, audits, investigations, surveillances, environmental monitoring and sampling activities.

REGULATION OF NUCLEAR ACTIONS

- The NNR is mandated to exercise regulatory control over nuclear installations, nuclear vessels, the mining and processing of uranium and radioactive ores as prescribed in the NNR Act.
- The facilities and actions currently under the regulatory control of the NNR includes the Koeberg Nuclear Power Station, the Pelindaba nuclear fuel cycle, production, and research facilities, the Vaalputs nuclear waste repository and mining and minerals processing facilities / activity.

REGULATION OF NUCLEAR ACTIONS

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HUMAN RESOURCE OVERSIGHT STATISTICS

Equity Target & Employment Equity Status

Category	Target	Current	Shortfall
White	1	0	1
Black	1	0	1
Coloured	1	0	1
Indian	1	0	1
Other	1	0	1
TOTAL	5	0	5

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REGULATION OF NUCLEAR ACTIONS

Category of Authorisation	Number
• (Variations to Nuclear Installation Licenses (NIL) issued within agreed timelines	5
• Certificates of Registration (COR) issued within agreed timelines	3
Total	8

REGULATION OF NUCLEAR ACTIONS

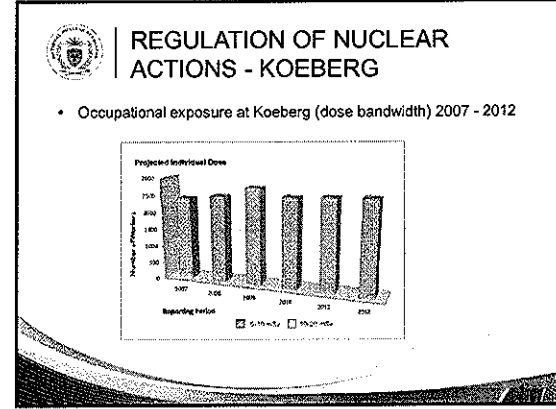
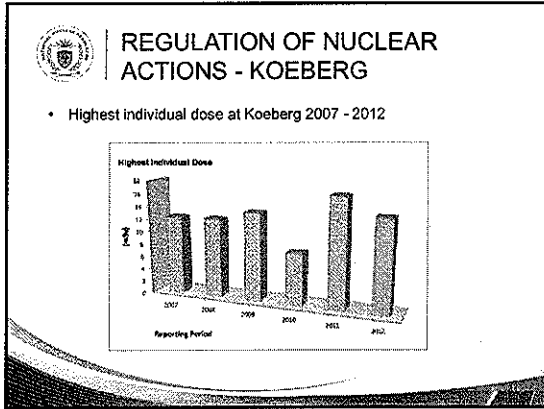
Category	2012	2011	2010
• Nuclear Power Plant	58	0	75
• Nuclear Technology & Waste Projects	72	8	72
• Naturally Occurring Radioactive Material	252	8	**418
Total	*382	16	565

*Conducted additional 60 inspections = 438
**Deviation from planned target

REGULATION OF NUCLEAR ACTIONS

Maximum individual worker dose	An (average) effective dose of 20mSv per annum averaged over five consecutive years. A (maximum) effective dose of 50mSv in any year.
Average individual worker dose	Controlled by application of the ALARA principle. The ALARA target for the annual average individual dose is 4mSv per annum.

- ### REGULATION OF NUCLEAR ACTIONS
- Occupational exposure at Koeberg Nuclear Power Plant, Necsa, Pelindaba Site, Necsa, Vaalputs Radioactive Waste Disposal site and mining and mineral processing facilities were within prescribed regulatory limits
 - Projected public exposure at Koeberg Nuclear Power Plant, Necsa, Pelindaba Site, Necsa, Vaalputs Radioactive Waste Disposal site was within prescribed regulatory limits



REGULATION OF NUCLEAR ACTIONS – SPECIAL CASE MINES (SCMs)

- During the period under review, the NNR noted a slight improvement in observed worker doses which can be attributed to the compliance assurance measures enforced by the NNR on the holders
- When the projected monthly dose limit is exceeding 1.7mSv and the projected annual dose limit indicates that regulatory limit indicates that the regulatory limit of 20 mSv will be exceeded.

REGULATION OF NUCLEAR ACTIONS – NECSA VAALPUTS

- Occupational exposure at Necsa
- Worker doses at Vaalputs over the past five years were within regulatory limits

REGULATION OF NUCLEAR ACTIONS – NECSA PELINDABA

- Projected public exposure for Necsa

Quarter	Liquid Dose In mSv/a	Gasoline Dose In mSv/a	Projected Total Dose In mSv/a
1	1.250	1.450	2.74
2	1.688	0.750	2.44
3	1.962	0.397	2.359
4	1.345	0.739	2.084
Total for the calendar year (January – December 2012)	6.285	3.336	9.621

REGULATION OF NUCLEAR ACTIONS – NECSA PELINDABA

- Occupational exposure at Necsa Pelindaba

Exposure Type	Maximum dose (mSv)	Average dose (mSv)
Dose for January to December 2012	38.91	0.62

REGULATION OF NUCLEAR ACTIONS - KOEBERG

- Inventory of solid radioactive waste produced & drummed 2010-2012

REGULATION OF NUCLEAR ACTIONS - KOEBERG

- Projected Public Dose (gas & liquid) at Koeborg 2007 - 2012

REGULATION OF NUCLEAR ACTIONS – OPERATIONAL SCMs

- Summary of occupational radiation dose for 2008 - 2012

Year	Dose (mSv/a)
2008	~10000
2009	~10000
2010	~10000
2011	~10000
2012	~10000

REGULATION OF NUCLEAR ACTIONS – NON OPERATIONAL SCMs

- Summary of occupational radiation dose for Non SCMs for 2008 - 2012

Year	Dose (mSv/a)
2008	~10000
2009	~10000
2010	~10000
2011	~10000
2012	~10000

REGULATION OF NUCLEAR ACTIONS - SPECIAL NUCLEAR PROJECTS

Focused primarily on regulatory research and development associated with the following key areas:

- Implementation of Self-Assessment national action plan;
- Development of Regulatory Standards and Position Papers;
- Establishment of a National Dose Register (NDR)
- Upgrade of the NNR Regulatory Emergency Response Centre;
- Determination of appropriate levels of financial provisioning for nuclear damage from nuclear installations; and
- Establishment of for independent verification laboratory

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STAKEHOLDER RELATIONS

- During the year under review the NNR's stakeholder communication and engagement mechanisms continued to evolve and relationships with key stakeholders remained positive. The NNR's stakeholder engagement priorities for the year under review focused largely on exchanging information and best practices with other Regulatory bodies and strengthening ongoing dialogue with stakeholders.

STAKEHOLDER RELATIONS

- Convened information sharing meetings with Civil Society and NGOs in various provinces, i.e. Eastern Cape, Gauteng and Western Cape which promoted the openness and transparency required in dealing with nuclear safety awareness issues.
- Convened a public hearing for the Smelter licence application lodged by Necsa.
- Conducted a media briefing to provide feedback to the South African public on the ongoing and planned measures to improve nuclear safety in light of the lesson learnt from the Fukushima Daiichi nuclear accident in Japan.

FINANCIAL PERFORMANCE: ANALYSIS OF FINANCIAL POSITION

- Property, Plant and Equipment increased by 476% during the year under review as a result of recognition of HQ office block purchased.
- Other financial liabilities increase is linked to current repayments of mortgage raised against the acquisition of the office block.
- Leasehold expenses decreased to nil on conversation of the building lease to acquisition and in the same vain the long term liabilities increased by the mortgage raised to finance the transaction.

FINANCIAL PERFORMANCE

Statement of financial performance		
Figures in rand	2013	2012
Revenue		
Authorisation fees	99 067 659	88 479 789
Application fees	447 160	1 581 935
Other income	1 352 446	-
Deferred income	442 680	-
Interest received	2 667 427	1 308 524
Government grants	30 912 000	35 430 000
Total revenue	134 889 372	127 800 248
Expenditure		
Compensation of employees	75 106 423	82 310 167
Depreciation and amortisation	9 253 676	5 046 235
Finance costs	4 652 537	-
Credit loss written off	226 051	-
Goods and services	31 095 578	38 654 384
Total expenditure	120 234 245	126 010 786
Operating surplus	14 655 127	1 589 462
Surplus for the year	14 655 127	1 589 462

FINANCIAL PERFORMANCE: ANALYSIS OF FINANCIAL PERFORMANCE

- The Authorisation fees increased by 12% during the year through the annual adjustments as Gazetted by the Minister
- A decrease of 72% on application fees is attributed to a special project processed during the comparative year.
- The other income reported for the year relates to positive bad debts adjustment made from the prior year provision.
- 26% increase on interest received is attributed on cash on hand committed for CAPEX projects.

FINANCIAL PERFORMANCE: ANALYSIS OF FINANCIAL PERFORMANCE

- The operational grant from the fiscus declined by 13% during the year as National Treasury impose compulsory budget cuts, the trend has been for the past three years.
- 81% increase on depreciation in line with the increase of asset base due to acquisition of the HQ building. The same transaction resulted on the decrease of 20% on goods and services as the rental and maintenance expenses were reduced.

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AUDIT OUTCOMES

- ✓The NNR obtained an unqualified audit report for the fourth year in succession during 2012/13 financial year
- ✓The audit report showed an improved state of controls , quality of financial and performance reporting

The entity developed and is implementing an audit management letter resolution plan addressing amongst others the following key issues raised by the Auditor General:

- ✓Irregular expenditure on training
- ✓Performance monitoring and evaluation
- ✓Compliance with laws and regulations

- The Regulator is on course to implement adequate policy dispensation for training procurement, legal compliance monitoring system and dashboard performance monitoring during the third quarter of the current financial year.

Mr T Tselane

Mantla



Mr. Gino Moonsamy
 Manager: Stakeholder Comms, NWR
 612 674 7844
 082 535 5365

2013/10/14