



DIRECTORATE FOR REGISTRATION AND RECOGNITION

**EVALUATION REPORT FOR THE RECOGNITION OF PROFESSIONAL BODIES AND
REGISTRATION OF PROFESSIONAL DESIGNATIONS**

Name of Professional Body	SA Institute of Auctioneers (SAIA)
Statutory or Non-Statutory Body	Non-Statutory
Sector	Business, Commerce and Management Studies
Physical Address	10 Evelyn Street, Retreat, Cape Town
Application Approved by Board/Council	Yes
Application Signed by CEO / Registrar/ Board Chairperson	Yes
Number of Designations Applied for	2
Date of Site Visit	31 August 2020
Date of Gazette Notice	13 November 2020



PROFESSIONAL BODY RECOGNITION AND PROFESSIONAL DESIGNATION REGISTRATION

EVALUATION REPORT

NAME OF BODY: SA Institute of Auctioneers (SAIA)

1. PROFESSIONAL BODY BACKGROUND

- 1.1. SA Institute of Auctioneers (SAIA) applied to SAQA for recognition as a professional body and the registration of two (2) professional designations on the NQF in terms of the NQF Act, Act 67 of 2008.
- 1.2. The SAIA was founded in 1989 to provide a clear set of industry standards that promote the ethical practice of the auctioneering profession. SAIA is the national association for auctioneers, stakeholders and clients of the auctioneering industry in South Africa. SAIA was established by auctioneers and represents corporate, small business and individual auctioneers across a range of disciplines. SAIA strives to establish a professional, ethical auction industry through proper education and support offered to its members. SAIA also protects and educates the public about the auctioneering industry. The professional body also informs the public about the advantages of utilising the professional body as an effective means to buy and sell goods and assets. SAIA is responsible for building and maintaining good relationships with its stakeholders to the benefit of its members and the public. SAIA members must be affiliates of requisite associations, must meet specific legal requirements, and be in strict compliance with the industry code and the SAIA code of conduct.

2. CRITERIA FOR RECOGNISING A PROFESSIONAL BODY

DRR evaluated the application against the *Policy and Criteria for Recognising a Professional Body and Registering a Professional Designation for the Purposes of the NQF Act SAIA* meets all the criteria for recognising a professional body listed below:

2.1. Legally constituted entity

The SAIA is a non-statutory body registered with the Companies and Intellectual Property Commission (CIPC) as a Non-Profit Company (NPC) with registration number 1989/005903/08. The SAIA has 14 Directors reflected on their CIPC certificate. The following document(s) were submitted:

- CIPC disclosure certificate
- Constitution
- List of Board members
- List of individual members

2.2. Human resources

- The professional body has one full-time staff member who is the Chief Administration Officer.
- The Board of Directors assists as part-time staff members.

2.3. Financial resources

- The professional body submitted its audited financial statements for the year 2017, 2018, 2019.
- According to the audited financial statements, subscriptions, fees earned, interest received, and application fees are the major sources of income.
- The auditors' opinion in the audited financial statements presents fairly, in all material respects, the financial position of the SA Institute of Auctioneers as at 31 Dec 2018 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act.

2.4. Good corporate governance practices

- The Board of Directors consists of 10 (ten) to 19 (nineteen) elected natural members and one Ex-officio member who is the National Secretary of SAIA.
- The Board of Directors is made up as follows:
 - The Chairperson
 - The Vice-Chairperson
 - The Director of Governance, Compliance and Discipline
 - The Director of the Finance
 - The Director of the Membership
 - The Director of the Education
 - The Director of the Transformation
 - The Director of the Public Relations, Marketing and Events
 - The Director of the Stakeholders
 - 10 Elected Directors who each serve as a member on at least one committee
- The term of office for Directors is two years.
- Retired Directors are eligible for re-election for a new term. There is no limit to the number of terms a Director can serve.
- Vacancies among Directors of SAIA are filled by a majority vote of a quorum of the Board of Directors. The Director chosen is appointed for the unexpired term of his or her predecessor in office.
- Vacancies for Directors, other than the Chairperson, need not be filled unless the Board of Directors deems it necessary to fill such vacancies for the remainder of the term.
- According to the list of Board members submitted, SAIA has 17 Board of Directors.

2.5. Code of Conduct and Protection of the Public

- The professional body submitted the Code of Conduct and the Constitution that has the disciplinary and appeals procedures.
- The SAIA publishes its Code of Conduct on the SAIA website.
- The SAIA Code of Conduct forms part of the SAIA membership registration process and must be accepted for one to become a SAIA member.
- The SAIA Code of Conduct is available to anyone upon request.
- The Board of Directors may upon receipt of a complaint:
 - Request the complainant to furnish it with such further information in the form of an affidavit or otherwise as it deems necessary;
 - Refer the complaint, if appropriate, to any other relevant body or authority;
 - Carry out any investigation in respect of the complaint as it deems necessary or appropriate; and
 - Notify the member in writing of the complaint and simultaneously with such notification:
 - o Furnish the member with a copy of the complaint in question;
 - o Request the member in writing to furnish SAIA with his or her comments on the complaint, if any, within 72 hours; and
 - o Advise the member that the comments furnished to SAIA in this instance and this context will not be used against him/her if an enquiry is held.

- If SAIA believes that there is insufficient evidence to substantiate a complaint or that there is no reasonable likelihood that a disciplinary committee would find that the conduct complained of, even if proven, constitutes conduct deserving of sanction, SAIA will in writing notify:
 - The complainant; and
 - The member that SAIA will not proceed with the matter.
- SAIA may at any time and on good cause withdraw a complaint and will after that notify the member of such decision in writing if that member has already received notification of the complaint in terms of the rule stated.
- SAIA may reopen the matter or revoke the withdrawal of the complaint as the case may be if new evidence has become available which, in the opinion of SAIA, justifies reopening or revocation.
- SAIA may at any time attempt to resolve any dispute between the complainant and the member by inviting the complainant and the member to participate in mediation proceedings.
- Neither the complainant nor the member is obliged to participate in mediation proceedings, and nothing said or done by either party in an attempt to settle the dispute through mediation is used as evidence at an enquiry.
- No person who acts as a mediator in terms of this policy may serve as a member of the committee to enquire into a charge based on or relating to a complaint, which was the subject of mediation proceedings.
- The complainant and the member will each be liable for their own costs incurred in respect of the mediation proceedings.
- If SAIA believes that there is sufficient evidence to substantiate a complaint and/or a reasonable likelihood that a disciplinary committee will find that the complaint, if proved, constitutes conduct deserving of sanction, it may bring a charge against the respondent to be heard by a disciplinary committee.
- The charge will be in writing.

SANCTION

- If an enquiry finds a member guilty, the disciplinary committee has the power to impose one or more of the following sanctions:
 - Caution the member;
 - Reprimand the member;
 - Impose a fine within the range of a minimum fine of R5 000 to a maximum penalty of R20 000;
 - Suspend any sanction for such period and on such conditions as the disciplinary committee may consider appropriate;
 - Suspend the membership of such member for any period that the Board of Directors may deem necessary and on such terms as the disciplinary committee may consider appropriate;
 - Cancel the member's membership with immediate effect and expel such member from SAIA.

APPEAL

- Any member found guilty as well as any complainant who is aggrieved by a finding made by the disciplinary committee has the right to appeal against the decision of the disciplinary committee within thirty days from the date of written notification of the outcome of the disciplinary hearing.
- The notice of appeal must be accompanied by a deposit in the sum of R2 000.

2.6. Awarding of Professional Designations

- The professional body submitted the designation awarding policy and principles, which outlines the criteria for awarding designations.
- SAIA accepts any South African National Qualifications Framework (NQF) registered qualification equivalent to the underlying qualification required by a designation applicant.
- The applicants for the designations must also have the relevant experience and must complete the SAIA exam or attend the SAIA panel interview.
- The SAIA Board awards applicants that meet all requirements the relevant designation. The following designations were awarded

- Associate Auctioneer: 8
- Certified Auctioneer: 190

2.7. Recognition of Prior Learning (RPL)

- The Professional body submitted an amended RPL Policy.
- Applicants are allowed to submit a portfolio of evidence that demonstrates their competence against the outcomes of the qualification that underpins the particular designation;
- Should the portfolio of evidence meet the requirements of the committee, the applicant is exempted from the qualification requirement and allowed to proceed on to the panel interview process.
- The compilation of the portfolio and the evaluation must be comprehensive, thorough and rigorous.
- Each case is dealt with on its own merit and must be accompanied by a verified Portfolio of Evidence supporting the RPL application in line with the SAIA RPL Policy.
- One remediation attempt is allowed where the SAIA RPL panel may call for further evidence or interview the applicant.
- Applicants who still do not meet the requirements for access to the board exam [Associate] or panel interview process [Certified] must be encouraged to attend training or obtain more experience to bridge their gaps.
- Disputes are handled per the SAIA dispute resolution policy.

2.8. Continuing Professional Development (CPD)

- The professional body submitted its Continuing Professional Development (CPD) Policy.
- During the online site visit, the professional body indicated that they have not yet started recording CPD points though members participate in CPD activities.
- All professional members must maintain their designations through participation in CPD activities.
- All SAIA designated members are required to obtain a minimum of 18 CPD points at the level of competence needed on an annual basis, to maintain their designation.
- Each member maintains records of CPD activities and submits it annually to SAIA at the scheduled time.
- Failure to do so could result in the suspension or revoking of the member's professional designation.

2.9. List of Members

- During the online site visit, it was verified that the professional body has 261 members.
- The breakdown per designation is as follows:
 - Associate Auctioneer: 10
 - Certified Auctioneer: 208
 - Candidate Auctioneers: 43

The professional body submitted dummy data to the NLRD.

2.10. Unfair Exclusionary Practices

- SAIA has 17 directors on the Board of Directors and the demographics are as follows:
 - White male: 9
 - White female: 1
 - Black male: 7.
- The majority of the membership consists of white males totalling 159 followed by 58 black males.
- Females have the least numbers.
- The professional body has a transformation policy and plan in place.

2.11. Career Advice Information

- The professional body states that they have plans to participate in the Services SETA learnership programme
- The professional body also markets its information in a magazine and some of the Board members have been invited to speak to students, and on radio shows.

2.12. Education and Training

The SAIA complies with Section 19 of the policy and criteria to the extent that it:

- is not accredited as an education and training provider by a Quality Council;
- is not registered as an education and training provider with the Department of Higher Education and Training.

2.13. The proliferation of professional bodies

There is no recognised professional body in the sector.

3. CRITERIA FOR RECOGNISING A PROFESSIONAL DESIGNATION

Designation(s) to be registered

Designation Title: Associate Auctioneer

CRITERION	DESCRIPTION
Underlying NQF Registered Qualification/Part-Qualification	<ul style="list-style-type: none"> • FET Certificate: Auctioneering Support Services, NQF Level 4, SAQA ID 80546, or • Any equivalent qualification
Experiential Learning / Practical Experience	2-5 years of relevant experience
Board / Admission Examination / Assessment	Applicants must write the SAIA board exam, which assesses the applicants' readiness in terms of all the SAIA professional competencies.
Continuing Professional Development (CPD) Requirements	All SAIA designated members are required to obtain a minimum of 18 CPD points at the level of competence needed on an annual basis, to maintain their designation.
Application of Recognition of Prior Learning (RPL)	Applicants are allowed to submit a portfolio of evidence that demonstrates their competence against the outcomes of the qualification that underpins the Associate Auctioneer designation. The compilation of the portfolio of evidence and the evaluation of it is comprehensive, thorough and rigorous.
Designation competences:	
<ul style="list-style-type: none"> • Auction rules are understood and applied to information gathering and preparation of auction documents, formulating auction tactics and arranging the auction. Advise clients on compliance with auction rules. • The SAIA Code of Conduct is understood and applied to information gathering, preparation and approval of auction documents; formulating auction tactics and arranging the auction. Clients will be advised following the code of conduct. • Auction preparation and formulating tactics for different types of products based on different product requirements. Documentation, tactics and interfacing with clients will be in line with the unique requirements of different products being auctioned. • Interface with key stakeholders to further inform and confirm market research on asset trends. Contact asset owners who might potentially be open for selling their assets on auction. • Reviewing information and documentation for asset valuation and confirmation of key aspects required to obtain a mandate from the client. Develop a marketing strategy and budget for a potential auction. Ensure compliance with all auction rules and code of conduct. 	

- Review mandate documents with supporting information. Engage with asset owner/client on the asset valuation and price range process.
- Discuss with the client on the marketing approach for the auction and the associated marketing budget for the auction.
- Implement an auction marketing plan. Engage with potential buyers on detail implementation of the plan.
- Administer the completion of all standard arrangements that need to be completed before the auction can commence. Manage with the preparation of the lot sizing and marking of lots in line with the auction strategy. Oversee the registration of potential buyers for auction. Liaise with all stakeholders in preparation of the auction.
- Administer the execution of the auction based on auction rules, the code of conduct, the signed mandates and the auction strategy. Play an active role on the floor by supporting the bidding process and assist the auctioneer where required.

2. Designation Title: Certified Auctioneer

Underlying qualification(s)	<ul style="list-style-type: none"> • National Certificate: Auctioneering Practices at NQF 5, SAQA ID Number 80547 or • Equivalent qualification
Experiential Learning and Practical Experience	More than five years of relevant experience.
Board / Admission Examination / Assessment	Applicants must be successful in the SAIA expert panel interview, which assesses the applicant's advanced expertise in terms of all the SAIA professional competencies.
Continuing Professional Development (CPD) Requirements	All SAIA designated members are required to obtain a minimum of 18 CPD points at the level of competence needed on an annual basis, to maintain their designation. Note: 1 CPD point is equivalent to 1 hour of learning.
Application of Recognition of Prior Learning (RPL)	Applicants are allowed to submit a portfolio of evidence that demonstrates their competence against the outcomes of the qualification that underpins the Certified Auctioneer designation. The compilation of the portfolio of evidence and the evaluation of it is comprehensive, thorough and rigorous.

Designation Competencies

- Auction rules are evaluated and improved. Clients are advised on special cases on how the auction rules should be applied. Policy regulators and the industry are advised on the improvement of auction rules. Industry standards are developed to improve the professionalism of the industry.
- The SAIA Code of Conduct is evaluated and improved. The industry is advised on special cases on how to apply the code of conduct. Industry standards are developed to improve professionalism in the industry through an improved code of conduct.
- Guidelines and tactics for auction preparation and formulating tactics will be developed for different types of products. Standards for documentation, tactics and interfacing with clients are improved in line with the unique requirements of different products being auctioned.
- Interpretation of market trends & indicators to identify trends and opportunities for potential auctions. Interface with industry leaders to further inform and confirm market research on asset trends. Contact corporate asset owners who are selling their assets on auction.
- Confirm asset valuation and supporting documents required to obtain a mandate from the client. Recommend potential pricing of the asset for auction. Confirm marketing strategy and budget for a potential auction. Develop industry standards for asset assessment.
- Approve mandate documents with supporting information. Advise the asset owner/client on

asset valuation and price range for the auction. Advise the client on the marketing approach for the auction and the associated marketing budget for the auction. Develop industry standards for improving the mandate process.

- Manage the execution of the auction-marketing plan and formulate an alternative plan if required. Engage with potential buyers and debate assets and potential price ranges to ensure their interest in the auction. Review records of possible attendees of the auction including supporting information related to marketing costs.
- Manage exceptions in the completion of all arrangements that need to be completed before the auction can commence. Ensure that preparation for the auction is in line with the strategy. Conduct briefing sessions with the auction team to ensure that auction tactics are in place. Liaise with all executive stakeholders in preparation of the auction.
- Manage the execution of the auction based on auction rules, the code of conduct, the signed mandates and the auction strategy. Direct the execution of an auction strategy and guide all participants on the floor with managing the bidding process. Change auction tactics where required. Develop industry standards to improve professionalism in conducting auctions.