

TO: DIRK KUNZ - CHIEF FINANCIAL OFFICER
FROM: BULUNGISA JARANA (HEAD OF BUSINESS INTELLIGENCE)
DIVISION: ACTUARIAL

REQUEST TO APPROACH INSTITUTE FOR SECURITY STUDIES (ISS) AS A SINGLE SOURCE PROVIDER FOR DATA SERVICES (PROTEST AND PUBLIC VIOLENCE MONITOR (PPVM)).

1. PURPOSE OF SUBMISSION/ RESOLUTION REQUIRED

The Chief Financial Officer (CFO) is hereby requested to grant approval to deviate from the competitive procurement process and proceed to engage with INSTITUTE FOR SECURITY STUDIES (ISS) through a single source procurement approach for protest and conflict event data, for a period of two years.

2. DELEGATIONS OF AUTHORITY

In terms of the Sasria Delegation of Authority (DoA) Policy, the CFO is authorised to approve deviations from competitive procurement processes under a single source procurement approach. The contract award will be subject to approval by the appropriate governance structures in line with the DoA.

3. BUSINESS REQUIREMENT/NEEDS BACKGROUND

3.1 Why the need arose

Sasria SOC Ltd, as South Africa's sole provider of special risk insurance, carries a critical national mandate to protect insured parties against losses resulting from politically motivated acts, riots, strikes, and public disorder. The July 2021 unrest, which generated approximately R32 billion in insured losses, highlighted significant gaps in Sasria's ability to detect, anticipate, and respond effectively to emerging unrest.

To strengthen its organisational resilience, Sasria intends to procure a tool or service that provides real-time information on protest activity nationwide. The required solution must deliver consistent event classification, verified geospatial coordinates, and comprehensive longitudinal historical coverage that is not currently replicated by publicly available data sources.

The insights derived from this information will form a critical component of Sasria's defence strategy framework, supporting proactive risk mitigation and improving preparedness for future unrest-related events.

3.2 Background and Strategic Context

SASRIA operates in an environment increasingly shaped by inequality, unemployment, service delivery failures and distrust in public institutions. The resulting volatility has direct implications for SASRIA's claims exposure, financial modelling and long-term sustainability. SASRIA is the only South African insurer providing non-life cover for special risks, including:

- Politically motivated malicious acts.
- Civil commotion.
- Public disorder, strikes, and riots.
- Terrorism and unrest.

In addition to its core insurance function, SASRIA carries a dual mandate:

- To conduct and support research into risks of national interest.
- To contribute to socio-economic development and industry transformation, in alignment with the National Development Plan.

This dual role allows SASRIA to act not only as a provider of financial protection but also as a strategic player in building long-term national resilience through partnerships and targeted investment.

The ISS is independent, African-rooted and impact-driven. It collaborates with governments, civil society and international institutions to support better policy and practice in pursuit of human security. Established in 1991 and headquartered in Pretoria, with regional offices in Addis Ababa, Dakar, and Nairobi, the ISS, amongst other things:

- Produces authoritative, policy-relevant research and analysis.
- Offers technical assistance and training on crime prevention, justice reform and governance.
- Generates strategic foresight and long-term projections through the African Futures and Innovation (AFI) programme.

- Provides real-time data and trend monitoring via platforms such as the Crime and Justice Information and Analysis Hub.

Through its Protest and Public Violence Monitor (PPVM), the Crime Hub, the AFI programme and its strong convening power, the ISS offers a unique combination of near real-time data and forward-looking analysis. This integrated evidence base can help SASRIA with early warning, risk management, and long-term planning.

Together, the ISS and SASRIA can support a more stable, resilient South Africa by addressing both the symptoms and root causes of unrest. The proposed collaboration is also a platform to support forward-looking investments, strategic dialogues, and innovations that reduce long-term risk exposure and foster community resilience.

4 MOTIVATION FOR SINGLE SOURCE PROCUREMENT

SASRIA seeks to procure specialised services that integrate its mandate to insure against special risks with the Institute for Security Studies' (ISS) advanced capabilities in strategic foresight, data analytics, and justice sector research. SASRIA aims to acquire the insights, analytical tools, and evidence-based intelligence required to better anticipate, understand, and mitigate the social and economic impacts of unrest in South Africa.

The requested services are intended to strengthen national stability, enhance societal resilience, and contribute meaningfully to SASRIA's developmental commitments, while aligning with the ISS's mission to advance human security across the African continent.

The decision to adopt a single-source procurement approach is based on the following key considerations:

a. Specialized Expertise and Proven Capability

ISS's proven expertise in protest and violence monitoring through its Protest and Public Violence Monitor (PPVM) and broader Crime and Justice Information and Analysis Hub (Crime Hub), as well as its long-term strategic foresight capabilities from the African Futures and Innovation (AFI) programme.

The value of the Protest and Public Violence Monitor (PPVM) data, collected by the ISS as part of the Crime and Justice Information and Analysis Hub (Crime Hub). For almost 15 years, the Crime Hub has been instrumental in providing credible, accessible information and analysis to a variety of stakeholders across sectors on the state of crime, violence and the performance of the criminal justice system in South Africa.

The PPVM has been monitoring and analysing trends in public protest, disruption and violence since 2013. This capability has proven valuable in identifying hotspots, trends and patterns linked to events such as elections and to issues including xenophobia, service delivery dissatisfaction and labour disputes. Recognition of the value and reliability of this data has led to formal Memoranda of Understanding with key institutions such as the Independent Electoral Commission (IEC), the South African Local Government Association (SALGA) and the Council for Scientific and Industrial Research (CSIR).

b. System Integration and Technical Compatibility

The proposed supplier's solution is already compatible with Sasria's existing ICT environment, including data ingestion pipelines, analytics tools, and reporting frameworks. Engaging multiple vendors could introduce integration risks, duplication of effort, and delays in system stabilization.

c. Cost Efficiency and Lifecycle Value

A single-source approach eliminates costs associated with managing multiple service providers and ensures accountability under a single service-level framework. It also enables Sasria to negotiate cost-effective, end-to-end system delivery and maintenance terms over the full lifecycle of the project.

d. Governance, Security, and Confidentiality

The Protest and Public Violence Monitor (PPVM) will provide real-time protest data, strategic foresight and analytical support to inform its risk exposure, claims forecasting and development-oriented Corporate Social Investment (CSI) work.

e. Continuity and Scalability

Partnering with a single supplier ensures long-term continuity, knowledge retention, and system scalability. The supplier's existing infrastructure and support model allow for future enhancements without the operational disruption of re-tendering.

5 FINANCIAL IMPLICATIONS

The following indicative budget provides an overview of the professional fees as well as ad hoc event costs under the financial agreement. Based on a two-year planning horizon, the total estimated cost is approximately R1 257 500.

Item	Year 1 (2026)	Year 2 (2027)
Yearly summit (ad hoc)	R 60 000	R 67, 200
Professional and Data Services	R 400 000	R 350 000
Stakeholder engagement (ad hoc)	R 70 000	R 78 400
Communication and Materials	R 32 000	R 35 878
Indirect costs (15%)	R 84 300	R 79 722
Total Estimated Budget	R 646 300	R 611 200

No additional infrastructure, licensing, or staffing costs are anticipated, as the solution utilises Sasria's existing Azure analytics environment.

6 RISK CONSIDERATIONS

Key risks associated with the single source procurement are limited and manageable:

- Data Governance Risk – Mitigated through adherence to POPIA. Financial Risk will be mitigated through transparent 2-year agreement.
- Operational Risk – Mitigated through defined ownership Business Intelligence teams and established monitoring processes.

7 RECOMMENDATIONS

The Chief Financial Officer is requested to approve the deviation from competitive procurement processes and to grant approval to approach **INSTITUTE FOR SECURITY STUDIES (ISS)** as a single source provider for the provision of South African protest and conflict event data for a period of two (2) years.

8 Signatures:

Compiled by:

Date _____

Reviewed by:

Date _____

Supported by:

Date _____

Recommended by:

Date _____

Approved by:

Date _____