



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1054

Mr Z N Mbhele (DA) to ask the Minister of Trade, Industry and Competition:

On which provisions in the Lockdown Regulations did he rely to declare that an essential service certificate issued by the Companies and Intellectual Property Commission is a compulsory requirement for businesses to operate during the Lockdown to curb the spread of COVID-19? [NW1344E]

REPLY

The essential service certificates issued by the Companies and Intellectual Property Commission (CIPC) were not a compulsory requirement for businesses to operate during the Lockdown.

The CIPC provided a service to businesses, registered under the Companies Act, to register as essential service providers.

The status of the CIPC certificate was made clear in a statement issued by the Department on 26 March 2020. It was stated that possession of a CIPC certificate did not constitute permission to operate during the Lockdown and that companies should be guided by the Regulations as to whether they were permitted to operate.

The information on the number of companies which operated as essential (and later, 'permitted' services) enabled government to keep a record of the number of workers who were employed at such companies. This information was important when considering the level of movement of workers outside their homes during the early

phases of the lockdown; and the appropriate transport directions and regulations. It provided law enforcement officers with proof that a company's senior management certified that it was an essential service.

Almost 500 000 companies registered on the CIPC's *Bizportal* website, as essential service providers and, later, as permitted service providers under Alert Level 4.

I decided not to issue Directions that would have required companies to register, even though I was advised that the Lockdown Regulations would have permitted me to issue such Directions. I took the view that it was preferable to allow companies to determine whether their business fell within the definition of essential services in terms of the Lockdown Regulations.

With effect from 1 June 2020, and the start of Alert Level 3, the concepts of essential and permitted services no longer apply. The CIPC has therefore stopped issuing the certificates.

-- END --