



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTIONS FOR WRITTEN REPLY

QUESTION NO. 179

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Ms T L Marawu (ATM) to ask the Minister of Trade, Industry and Competition:

- (1) What (a) are the full and relevant details of goods that are legislated to be sourced and/or purchased from local producers and (b) measures has he put in place to ensure that the production of the specified goods is spread across the different districts in the Republic;
- (2) What controls has he put in place to ensure that there is countrywide compliance with the specified legislation in the wake of product imports that do not favour the health of the citizens of the Republic and/or the economy, amongst other standing variables?
NW184E?

REPLY

In 2017, Government gazetted a set of Preferential Procurement Regulations which enabled specific products to be designated for public procurement. The department cooperated with National Treasury in the designation of a number of products, which were then designated by the Minister of Finance and details of have been released publicly.

In February 2022, the Constitutional Court ruled that in accordance with the Preferential Procurement Policy Framework Act of 2000, preferential procurement policies should be determined by each organ of state. No new designations have been made since that date. The dtic has engaged organs of state to highlight the importance of local procurement

within their preferential policies. The new Procurement Bill is expected to provide clarity on the approach to procurement by the state.

In addition to this, the Department has encouraged local procurement and production through a number of measures, including

- support for firms to improve their efficiency and performance,
- competition and trade measures and agreements,
- special economic zones,
- trade facilitation particularly to other African countries
- masterplans for different industries and
- social compacts with business, labour and community organisations.

Products covered by these various include:

- Automobiles and car parts
- Sugar products
- Poultry
- Steel and engineered products
- Pharmaceutical and medical products
- Furniture
- Clothing, textiles and footwear
- Glass products
- Green energy components, and
- Food and beverages.

Significant quantities of local procurement has been made on the back of these projects. Details are periodically supplied to Parliament through the relevant Portfolio Committee.

The dtic has also worked with Proudly South African (PSA) to showcase the strengths of local firms and assisted to connect them to local procurers.

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