



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1882

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Mr M Chetty (DA) to ask the Minister of Trade, Industry and Competition:

(a) What are the 27 products referred to in his department's policy statement on localisation dated 18 May 2021, wherein it is stated that since 2014, 27 key products that have been procured by Government have been successfully prioritised for purchasing by the State from local manufacturers and (b) how were the 27 products identified? [NW2110E]

REPLY:

Government has designated 27 products for local production and content through the Preferential Procurement Regulations. Some of the products already designated are rail rolling stock, boats/ working vessels, power pylons, bus bodies, valves, pumps, certain pharmaceutical products, furniture products as well as the Textile Clothing Leather and Footwear sector.

For a complete list of designated products, see <http://www.thedtic.gov.za/sectors-and-services-2/industrial-development/industrial-procurement/>.

the dtic conducts research before a product can be designated for local production, including on procurement trends, local industrial capacity jobs implications and import profiles. During the research stage, there is consultation with the industry (associations and local manufacturers) as well as procuring authorities. Designated products have different thresholds for local production informed by the research studies looking at the economic variables aimed at supporting the manufacturing sector. Once the research

is completed, **the dtic** reviews the designation proposals before the Minister of Trade, Industry & Competition approves it. Thereafter, the designation is forwarded to the Minister of Finance for consideration and publication of the instruction notes/circulars and implementation by organs of state.

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