



Presentation to Portfolio Committee of Trade and Industry

**IMPLEMENTATION OF THE REMEDIAL ACTION PRESCRIBED
BY THE PUBLIC PROTECTOR'S REPORT REGARDING TOYOTA
QUANTUM VANS**

09 MARCH 2022



the dtic

the dtic - together, growing the economy

the dtic Customer Contact Centre: 0861 843 334



Contents



1. Delegation
2. Public Protector Recommended Remedial Action
3. Compliance with Remedial Action
4. Further Interventions by NRCS
5. Recommendation by **the dtic** group



Delegation

Ms Malebo Mabitje-Thompson, Acting DG: **the dtic**

Mr Stephen Hanival: Acting DDG: **the dtic**

Dr Tshenge Demana, Chief Director

Mr Edward Mamadise, Chief Executive Officer – NRCS

Mr Duncan Mutengwa, Acting Chief Operations Officer – NRCS

Ms Jodi Scholtz, Lead Administrator - SABS

ABBREVIATIONS

SABS	–	South African Bureau of Standards
NRCS	–	National Regulator for Compulsory Specifications
NMISA	–	National Metrology Institute of South Africa
SADC	–	Southern African Development Community
DOT	–	Department of Transport
SANS	–	South African National Standard
MIB	–	Manufacturer, Importer or Builder of motor vehicles
OEM	-	original equipment manufacturer

Recommended Remedial Action

- The Minister of Trade, Industry and Competition to take urgent and appropriate steps to harness and foster good, effective and efficient working relations between NRCS and the SABS. This is to ensure that these two entities complement each other in the interests of government, members of the public and any other applicant who may be in need of their services.
- As no direct adverse findings were made against the Department and given that the remedial actions constitute good institutional practice, **the dtic** chose not to challenge the Public Protector's report although said report contains a number of mis-understandings with regard to the role and mandate of the SABS and NRCS.

Compliance with Remedial Action

- Department facilitated that NRCS and SABS conclude, and now implementing a Memorandum of Understanding (MoU).
- MoU formalises areas of cooperation and collaboration
- Joint Working Committees have been established
- Implementation of mutually agreed programmes and projects
- Management meetings to deal with operational matters

- The MoU strengthened the cooperation that is entrenched in the primary legislation of the two entities.

Proactive Interventions by the NRCS

- NRCS has established a dedicated team of inspectors to inspect all registered MIBs especially those involved in converting goods-carrying vehicles into passenger carrying vehicles in order to enforce compliance.
- The NRCS and the Department of Transport concluded a Service Level Agreement that came into effect on 01 April 2021. The SLA sets out the roles and responsibilities of each party and promotes regular engagement.
- It is important to note that Public Protector did **not** make these recommendations

Additional Improvements by the NRCS (1)

Item no	Finding/issue	Resolution/approach	Responsible person	Implementation date	Remarks
1.	The Minister of the dtic to take urgent and effective steps to harness and foster good, effective and efficient working relationships between NRCS and SABS	Review the MOU between SABS and NRCS. The MOU provides the platform to handle all matters of mutual interest including the upgrade of automotive standards as well as testing services, amongst others. Various committees have been identified that report to the NRCS/SABS Steering committees	SABS and NRCS CEOs	October 2019	Ongoing engagements through SABS Standards committees as well as testing laboratory committee
2.	Letter of authorization not required from Toyota in respect of retro-fitment process of the illegally converted panel vans into taxis	Although this requirement is not a mandatory since it is in terms of the National Standard SANS 10267, The NRCS has reviewed its processes to incorporate requirements of the OEM support documents to provide guidance on the body builder or vehicle converter	Approvals unit of the NRCS automotive business unit	Already implemented	Ongoing monitoring

Additional Improvements by the NRCS (2)

3.	Why did NRCS not identify the 1986 vehicles despite empowerment through section 17 of the NRCS act	The 1986 vehicles were identified by the DOT and NRCS could not have implemented section 17 since the vehicles were already operating and licensed. The NRCS recommends that DOT “admin mark” these vehicles and remove them from the road	NRCS recommends the DOT to assist as the NRCS has no control over road operational related matters in terms of the NaTIS records	This matter will be discussed during the engagement with DOT in terms of provision within the SLA between NRCS and SABS. The dates of engagement will be communicated once the DOT has shared with the NRCS	The NRCS has no control over this process and may only request the DOT to enforce its legislation
4.	Impact of illegally converted Quantum panel vans into minibus taxis on the lives of commuters using these vehicles	The NRCS to improve its regulatory activities to ensure adherence to the legislation	NRCS Automotive business unit	Refer to item 6	Ongoing monitoring

Additional Improvements by the NRCS (3)

5.	Enhancing relationships with stakeholders	Concluding of SLA with DOT	NRCS CEO	Concluded on 1 August 2021	The SLA clarifies the responsibilities of the NRCS and DOT for matters relating to the inspection of manufacturers, builders and importers of motor vehicles
		Participation in the determination of Taxi Age limit requirements and providing input with regards to safety requirements.	NRCS Automotive business unit	July 2021	Already participated in one meeting arranged by the Taxi Recapitalisation South Africa (TRSA)

Additional Improvements by the NRCS (4)

6.	Improvement on market surveillance activities	<p>NRCS has dedicated a permanent team of inspectors to inspect all registered MIBs especially those involved in converting goods carrying vehicles into passenger carrying vehicles in order to gather information and where non-compliances are identified, enforce sanctions as per the relevant legislation.</p> <p>The Team will annual review its performance to inform a more improved tactical approach going into the new financial year</p>	NRCS Automotive business unit	<p>Commenced in May 2020. The preliminary outcome of these activities shows that about 100 high risk companies were inspected in 2021 and the findings revealed no active companies identified to be illegally converting minibuses vehicles since these companies were legally registered in terms of the relevant legislation</p>	<p>-Handle Complaints received related to the automotive regulated products.</p> <p>-Investigate all alleged non-compliance of products in the automotive sector.</p> <p>-Investigate the misuse of NaTIS model numbers issued by the NRCS.</p> <p>-Conduct on going indepth audits of registered MIBs.</p> <p>-The team has categorized all registered bodybuilders or converters of motor vehicles into small, medium and large size companies. These companies deal with various types of vehicle conversions such as minibuses, midibuses, ambulances, load bodies.</p>
----	---	---	-------------------------------	---	---

Additional Improvements by the NRCS (5)

7.	Review of automotive compulsory specifications	To complete the amendment of light vehicles compulsory specifications by June 2022 and medium to heavy vehicles by December 2023. The aim is to have all the improved regulation implemented on a piece-meal bases from December 2022 until December 2026 in consultation with the automotive industry regarding the transitional provisions. regards	NRCS Automotive business unit and the Regulatory and Research business unit	Concept document on safer vehicles 2025 project was approved in 2021.	This is to ensure that the regulations incorporate technological advancement including self driving cars, electric cars, etc and will also incorporate provision with regards to dealing with vehicle fires, panel vans conversion and conversion of any motor vehicles including ambulances.
----	--	--	---	---	---

Recommendation

- Although **the dtic** and its entities have fully implemented the Public Protector's remedial action, it is important that the Portfolio Committee note that the automotive regulatory system is fragmented between national Departments, as well as between national and provincial competencies.
- In order to ensure that the vehicles that are operating on South African roads are safe and fit for purpose, it may be beneficial for the Portfolio Committee on Trade and Industry to facilitate a meeting wherein the DOT and its entities can provide a progress report on the implementation of the Public Protector's report and its ongoing work to remove the remaining illegally-converted panel vans that continue to operate as taxis and thereby place the public at risk.



The End

