



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTIONS FOR WRITTEN REPLY

QUESTION NO. 1055

Mr R W T Chance (DA) to ask the Minister of Trade, Industry and Competition:

- (1) What are the full details of (a) all the industries that are (i) designated under the Preferential Procurement Policy Framework Act, Act 5 of 2000, and (ii) currently investigated for designation and (b) each applicant in terms of the (i) name of applicant, (ii) date of application and (iii) decision taken regarding the applicant's application and (iv) date of the decision?NW1296E.

REPLY

- (1) As at December 2021, 28 products were designated for local content and production, firstly under the both 2011 and 2017 Preferential Procurement Regulations (PPRs). See below designated products.

Designated Products	LC Threshold	Date
1. Rail Rolling Stock	65%	16-07-12
2. Power Pylons	100%	16-07-12
3. Bus Bodies	80%	16-07-12
4. Canned/Processed Vegetables	80%	16-07-12
5. Textile, Clothing, Leather and Footwear Sector	100%	16-07-12
6. Solar Water Heaters	70%	19-07-12
7. Certain Pharmaceutical Products	Per Tender	07-12-11
8. Set-top Boxes	30%	26-09-12
9. Furniture Products	85%	15-11-12
10. Electrical and Telecom Cables	90%	08-05-13
11. Valves Products and Actuators	70%	06-02-14
12. Working Vessels (Boats)	60%	01-08-14
13. Residential Electricity & Water Meters	70%	01-08-14
14. Steel Conveyance Pipes	80%	28-09-15
15. Transformers and Shunt Reactors	90%	28-09-15
16. Solar PV Components	70%	30-06-16
17. Two Way Radio Terminals	60%	30-06-16
18. Rail Signalling System	65%	30-06-16
19. Wheelie Bins	100%	18-08-16
20. Fire Fighting Vehicles	30%	21-11-16
21. Steel Products and Components for Construction	100%	13-01-17
22. Rail Perway (Track) Infrastructure	90%	13-11-17
23. Pumps & Medium Voltage Motors	70%	12-12-17
24. Plastic Pipes & Fittings	100%	16-08-19
25. Air Insulated MV Switchgear	50%	20-12-19
26. Bulk Material Handling	85%	20-12-19
27. Industrial Lead Acid Batteries	50%	20-12-19
28. Cement	100%	04-11-21

- (2) In preparation for the commencement of the Public Procurement Act, **the dtic** is reviewing all previously designated products in order to make a determination on the feasibility of designating all or some of the products in the upcoming legal dispensation for designation.
- (3) In the interim, consultations have been undertaken with the economic cluster as well with the technical committee of the Minister and MECs (MINMEC) to solicit products which can be designated for local content. Some provinces have submitted a list of products for consideration, especially construction materials to be taken into consideration.
- (4) Furthermore, consultation is being undertaken with the industry associations and organisations in the steel, furniture, textile and clothing sector, pharmaceutical and medical devices, cement and automotive sectors on the review and designation of products.
- (5) The Act stipulates that the Minister of **the dtic** must gazette products for local content and production; and invite public comments on them. This entails

reviewing and providing responses to the public comments that have been received.

- (6) Once **the dtic** is ready with the designation research reports and in line with the directive on the commencement of the Act, public participation will commence on the designation process.

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