

REGULATORY DEBATES



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

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Editorial

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Board eats sour grapes and company's teeth are set on edge

The recent collapse of banks servicing the traditionally unbanked sectors of South Africa has raised several questions around corporate governance

Pregoria Mabaso-Muvhango

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Many companies with potential suffer the fate of liquidation because of bad decision-making on the part of those responsible for them. Recently, there has been a collapse in what could have been the only wholly owned black bank. What made it even more exceptional is that it was situated in the rural areas of Limpopo and thus serviced the traditionally unbanked sectors of the South African community.

A report compiled by Advocate Terry Motau¹ stated that the Bank was corrupt, rotten to the core and therefore incapable of being saved. The truth of the matter is that banks are legal persona, independent of their owners and have rights, privileges and obligations. The question then is: Why does a company pay a higher price than the individuals authorised to act on its behalf, when it is those very individuals who made decisions that were to the detriment of the company?

The report recorded that individuals and companies have been found to have benefitted from the looting of billions from VBS Bank. I suppose that is why the best way to describe this would be to call it a heist, where criminals walk into the bank with guns and help themselves to the vault. The VBS Bank is said to have extended overdrafts to favour clients' accounts that had no deposits and issued payments to individuals in exchange for deposits from state-owned entities and municipalities. This is not the normal practice of a mutual bank, which derive their profits from investing money, offering interest on deposits and dividends on shares.

Another bank in a similar situation was African Bank Investments Limited, which was established to cater for the poor through extension of credit. Myburgh² reported that the demise of African Bank was neither due to insufficient provision for bad debts nor unsustainable lending, but because the CEO and Board of Directors had failed to exercise the necessary care and skill in overseeing the dealings of the company. The Board failed in corporate governance. The CEO made unilateral decisions to buy Ellerines for R9.1 billion without conducting due diligence or seeking full Board approval.

The Companies Act³ has dedicated Part F, section 57 to 78 to corporate governance. Companies with potential fail because of corporate governance failure. Shareholders and the Board of Directors are empowered by law to ensure accountability. The shareholders must be confident that the Boards are looking out for their interests. They must put in place credible social ethics committees, which will be held accountable and report to shareholders.

Another question to ponder is: Why when such demise befalls companies is liquidation the automatic answer? In liquidating the company, are we not compromising the ability of the company to sue the directors for breach of their fiduciary duties? Section 76 of the Companies Act provides that directors can be held liable on the basis of

¹ VBS Mutual Bank: The Great Bank Heist by Advocate Terry Motau SC

² Myburgh Report on African Bank by Advocate JF Myburgh

³ Act 71 of 2008

common law for breach of fiduciary duties and can be sued under delict for loss, damages and costs sustained by the company. The company continues to enjoy the *locus standii* to institute legal proceedings for breach of directors' fiduciary duties.

The bible proverb seems to be proven true in this case, the Board of directors eat sour grapes and the companies' teeth are set on edge.

The fight against illegal gambling in South Africa

Illegal activities expose vulnerable persons to gambling, increase unfair competition and result in money lost to the fiscus

Bawinile Ngcobo

Senior Inspector: Enforcement, National Gambling Board

The National Gambling Act (NGA), 2004 (Act No. 7 of 2004) aims to protect the public from the harmful socio-economic effects of gambling. The National Gambling Board (NGB) is mandated in terms of section 33 of the Act to assist the Provincial Licensing Authorities (PLAs) in ensuring that unlicensed gambling activities are detected in the manner envisaged in section 66(2) and (3).

The role of the NGB is to enforce compliance through curbing and monitoring prohibited and unlawful gambling activities. This is done through investigation of any violation of gaming law, public complaints, gambling disputes, gathering intelligence on gambling related information, liaison with other law enforcement agencies and monitoring of gambling equipment movement to ensure that illegal gambling is eradicated.

Any games offered for money by an unlicensed gambling operator constitutes illegal gambling. Advertising of unlawful gambling is prohibited by the NGA and is punishable by a sentence of up to 10 years in prison, or a fine of up to R10 million or both.

More so, online gambling is illegal together with all winnings associated with it. Upon entering the South African banking system, such winnings can be confiscated by the banks and reported to the NGB for investigation. If after investigation, it is found that the winnings were lawfully obtained, then the winnings would be paid to the punter. If the winnings are proceeds of illegal gambling, however, the NGB will apply to the High Court for an order declaring such winnings forfeited to the state.

Registered and unregistered businesses offer computer-based gambling fronting as internet shops and are not licensed to offer these activities by any PLA. Punters should be wary that these venues are often also not licensed by the Film and Publications Board (FPB), but claim to be and display fake FPB licences. Other types of unlawful gambling activities that can be found in supermarkets include Chinese roulette and cherry masters. These are easily identified as they are not registered with relevant route operators who are licensed to operate Limited Payout Machines (LPMs). A list of licensed route operators can be assessed by calling the NGB to confirm registration of a licensed site.

Unlicensed gambling tables are also found to be operated unlawfully at various entertainment venues, advertised as poker/blackjack night events where a group of associates gather and place their bets and a winner takes the prize. Other forms of illegal gambling include playing fafi, and street dice and/or cards, all of which are prohibited in terms of the NGA. All of the aforementioned gambling activities warrant joint enforcement investigations, as they will require action to be undertaken by various enforcement officials prior to the closing down of the gambling operation.

Efforts employed by the NGB and PLAs to curb illegal gambling activities include:

- the establishment of a multi-enforcement agency task team to develop strategies with the focus on eradicating illegal gambling through information sharing, investigation of alleged contraventions, ensuring successful convictions and confiscation of unlawful winnings;
- education and awareness campaigns aimed at educating the public about social and economic harms resulting from participating in illegal gambling; and
- legislative amendments to ensure successful prosecution in respect of unlawful gambling.

Raids are conducted by the South African Police Service resulting in operators of unlawful gambling activities facing prosecution, and their equipment being confiscated and destroyed in line with applicable provincial gambling legislation.

Illegal gambling affects all communities in the following manner:

- Unlicensed operations benefit from the stake without contributing back to the country's economy, increasing unfair competition to the legalised industry and money lost to the fiscus.
- Illegal gambling may contribute to over-stimulation of gambling and expose vulnerable persons to gambling. No programmes are availed by unlicensed operators to assist addicted gamblers as is the case at licensed establishments where problem gamblers can get assistance.
- There are no procedures for attending to gambling related disputes arising from participating in unlicensed gambling operations, resulting in no recourse and mediation in a case of an unresolved disputes.

Communities are encouraged to report any illegal gambling activities taking place to the NGB at info@ngb.org.za and or calling 010 003 3475.

Digital exploitation of music

A challenge to rightsholders and their collecting management organisations

Wiseman Ngubo

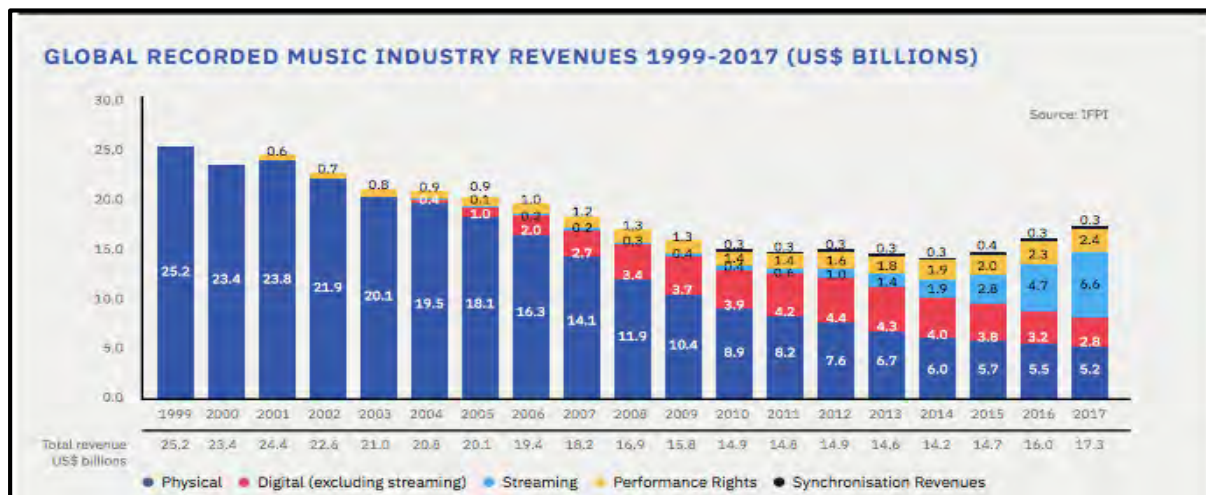
Business Affairs Manager, the Composers, Authors and Publishers Association (CAPASSO)

The music industry has contended with the idea of digital copyright infringement since the Napster case⁴. Digitisation saw the recorded music industry lose 43% of its revenue within a 14-year period, mostly as a result of

⁴ A & M Records Inc v Napster Inc 239 F.3d 1004 (2001)

digital piracy/infringement⁵ (see figure A). These developments continue to challenge rightsholders and their Collecting Management Organisations (CMOs) such as the Composers, Authors and Publishers Association (CAPASSO) and requires revisiting the remedies available to them.

Figure A



IFPI Global Music Report 2018: Annual State of the Industry

In terms of the current legislation, rightsholders are afforded three remedies, namely; interdict, delivery-up and damages⁶.

Digital exploitation of music has put a spotlight on the shortcomings of each of these remedies thus necessitating additional remedies to be prospected. Section 24 of the Copyright Act grants the rights-holder one of two options in as far as damages are concerned; to prove actual damages or rely on a reasonable royalty⁷. The actual damages contemplated in section 24 take the form of compensation for the loss of profit arising from the infringing action. Digitisation has made that computation a difficult task for musicians.

The difficulty of proving actual damages has been succinctly articulated as follows:

“It is almost unchallenged that provable actual damages frequently fail properly to compensate for the violation of a copyright, because of the intangible nature of the interest so protected and the difficulty involved in presenting to the court an accounting which reflects the real injury inflicted on the aggrieved owner”⁸

The reasonable royalty claim is a substitute for the erstwhile profit accounts claim, it is plagued by the same problems the account for profit would be in the digital era. Infringement is pitched at no direct financial benefit to the infringer but increases their clout in order to obtain indirect benefit. Spotify (the biggest subscription service in the world) currently operates at a loss and thus would not be paying⁹, the individual who uploads onto YouTube and would not earn unless they meet certain thresholds¹⁰.

⁵ IFPI Global Music Report 2018: Annual State of the Industry, pg 11.

⁶ R Kelbrick, “The Historical Development of Civil Copyright Remedies Commonwealth Jurisdictions” 1997; *CILSA*, 152

⁷ H Dean Handbook of South African Copyright Law (1987) Juta & Co: Cape Town 1-127.

⁸ Carroll J. Donohue, Statutory Damages for Copyright Infringement, 24 Wash. U. L. Q. 401 (1939).

⁹ <https://investors.spotify.com/financials/default.aspx> (accessed on 01 February 2019).

¹⁰ <https://support.google.com/youtube/answer/72851> (accessed on 01 February 2019).

What is a reasonable royalty payable when there is no profit? Reasonable royalty also relates to an amount that a potential licensee would have paid, meaning that obfuscatory licensees can persist with the risk of only ever having to pay the royalties they should have in the first place, despite infringing copyright and requiring rights holders to go through the trouble of instituting proceedings.

Mass users of musical works escape damage claims by circumventing procedure of obtaining authority prior to usage, and thereafter demanding that CMOs “prove their copyright” as an obfuscatory method to delay making necessary payment. Such proof relies on access to data that the infringers themselves have or control. CMOs must thereafter request the full catalogue of works on the platform in order to make claims on behalf of their members. This is also given reluctantly. If statutory damages existed, licensees, especially mass users would be better incentivised to license upfront as they would be able to almost calculate the potential cost of not doing so. The CMOs would also be able to pursue matters fully knowing that upon successfully proving the infringement; the quantum of the damages would justify the costs of pursuing the matter. Reasonable royalties and actual loss claims are unable to satisfy this claim and interdicts by nature have no monetary incentive.

Statutory damages are imperative in the digital era in that they do not require that loss be demonstrated by the rights holder. They thus serve a dual purpose to firstly, incentive the mass users of copyright content to obtain the necessary licenses whilst also incentivising the rights holder to sue in the event that the licenses are not obtained.

Processing claims for musical works requires investment into systems that can read is over 45 million lines of data per quarter. Currently, the rights holder is burdened with funding the assessment despite it just not being a financially viable to sue. The averment is thus that defined statutory damages be introduced instead of the reasonable royalty contemplated in section 24. This is particularly important if the view is to introduce general exceptions such as fair use. Statutory damages are crucial function of how these general exceptions work due to the fact that they allow successful plaintiffs to recover substantial monetary damages without any proof that (1) the plaintiff suffered any actual harm from the infringement or (2) the defendant profited from the infringement. This is a crucial weapon for CMOs and rights-holders in the digital era given the sheer amount of music consumed. Without statutory damages, CMOs are left without much of an effective recourse.

Cooperative governance in the enforcement of consumer protection

Implementation of the Consumer Protection Act has many challenges including overlaps of investigations and enforcement

Lekgala Morwamohube

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There is no uniform guiding principle for the adoption and application of effective enforcement strategies for consumer protection across the world.¹¹ This is due to the difference in socio-economic and political realities that exist among nations such as budget allocations, composition, structure and function of regulatory authorities. Experts in law and economics, however, do advocate some common principles such as “coordination and

¹¹ World Bank, Building Institutions for Markets, World Development Report (2002)

cooperation among organs of the State having similar objectives".¹² Section 41 of the South African Constitution requires that national and provincial governments cooperate in mutual trust and good faith.¹³ The Green Paper on the Consumer Policy Framework highlights that a national consumer law must take cognisance of the concurrent jurisdiction between national and provincial legislation, by providing norms and standards and mechanisms for giving effect to co-operative government.¹⁴

Enforcement of the Consumer Protection Act within the current framework of cooperative governance as envisaged by the Constitution has many challenges including overlaps of investigations and enforcement.

In his analysis of competition and consumer protection laws, David Miller mentions that when consumer protection legislation is enforced by various organs with similar objectives, concurrent jurisdiction may result in two or more agencies wanting to address the same issue or none of the agencies addressing the issue because each mistakenly believes that the other is pursuing the matter. This leads to either duplication of effort or issues falling through the cracks.¹⁵

The Australian Productivity Commission research report on consumer law enforcement and administration published in 2017 supports this view. It highlights that a single consumer policy framework with a multiple-regulator model at different levels of government confronts some obvious challenges such as risks of gaps or overlaps in investigations and enforcement as well as inconsistent approaches to interpreting, administering and applying the law.¹⁶ Gustavo Adolf asserts that officials in public administration ideally should support one another in the benefit of a common end.¹⁷

Cooperative governance in consumer protection has been found effective in jurisdictions similar to South Africa. In Canada, provincial offices are responsible for enforcement of the consumer laws in their jurisdictions. The effectiveness of provincial legislation is made possible through well-established joint enforcement mechanisms such as the Consumer Measures Committee (CMC), which gives effect to cooperative government. The committee is made up of representatives from the federal government as well as every province and territory.¹⁸

The United Kingdom formulated the Consumer Protection Partnership (CPP), which comprises sector-specific authorities, national departments, consumer groups and business groups, to strengthen consumer protection at local, national and regional level.¹⁹ Improved cooperation and collaboration between national and provincial government is a key priority to achieve consistency and ensure that consumers are protected in the marketplace.

Collaborative partnerships such as the CMC and the CPP are good practices that can be considered as forums for intergovernmental discussions on issues of consumer protection and better enforcement of the Consumer Protection Act in South Africa.

¹² ibid

¹³ Constitution of the Republic of South Africa

¹⁴ Draft Green Paper on the Consumer Policy Framework, Government Gazette, Vol. 4719, No. 26774 published in September 2004.

¹⁵ David Miller, Competition and Consumer Protection: The Relationship in Practice in Jamaica, 5th IDRC PRE-INC Forum on Competition and Development, Available at

<http://www.competition_and_consumer_protection_the_relationship_in_practice_in_Jamaica_Mr_David_Miller.sflb.ashx.pdf>

¹⁶ Australian Productivity Commission (2017). Research report on Consumer Law Enforcement and Administration.

¹⁷ Gustavo Adolf, Institutional Challenges to Competition Policy in Panama 2014 Available at www.PANAMA_institutional_challenges.pdf.

¹⁸ Canada Law Reviews. <https://thelawreviews.co.uk/edition/the-consumer-finance-law-review-edition-2/1166331/canada>

¹⁹ Consumer Protection Partnership Priorities Report 2015.

Relief for home-loan defaulters

The National Credit Act provides struggling homeowners with a relief mechanism, enabling them to honour their obligations

Mafedi Mphahlele

Director Knowledge Management: **the dti**

It can happen that financial circumstances change, leaving people in arrears on their home loans. The National Credit Act (NCA) (34) of 2005 provides a relief mechanism enabling homeowners to reach agreement with the bank in cases where they are unable to honour their obligations. Banks are, however, often accused of exploiting gaps in the Act. A recent example is a newspaper article entitled “SA banks sued for R60bn in home repossessions case”²⁰.

In practice, banks are allegedly auctioning the houses of defaulting consumers at prices well below their market value. In December 2018, the Cape Town High Court heard a case of a consumer who bought a family home with a bank loan of R39 000 in 1989. The family was evicted from its home and the property allegedly sold on auction for R10.²¹ Defaulting consumers have found recourse in a ruling that courts should set the default reserve price in the auction of primary residences. The level of the reserve price will be based on information presented to the court, such as market valuations.

Furthermore, the Cape High Court ruled that courts have the power to postpone granting a sale-in-execution application by banks, where the outstanding amount on a home loan is relatively small. In these instances, lenders must try to negotiate with homeowners before applying for permission to sell the property on auction. It is believed that “postponement” will give distressed homeowners the opportunity to sell their property privately to settle their bank debt. Homeowners should generally get more compared to what they will in a forced sale.²² Another change is that: ‘once a defaulting consumer pays off their arrears, their mortgage contract automatically revives. This is not at the discretion of the banks. The court ruled that once the arrears and reasonable costs have been settled, the power to reinstate a credit agreement lies with the consumer and not the credit provider.²³

The abovementioned changes come as a huge relief to most defaulting homeowners, but it should be noted that the setting of reserve prices may result in even tighter lending criteria by the banks.²⁴ Some of the regulations in the NCA are under revision. It is hoped that the revised regulations will give relief to both parties and pave a way for more homeowners to acquire property with manageable risk.

²⁰ <https://www.fin24.com/Companies/Financial-Services/r60bn-home-repossession-suit-against-banks-20170816>

²¹ <https://www.iol.co.za/news/nedbank-sold-our-fully-paid-house-for-r10-9419919>

²² [https://www.businesslive.co.za/bt/money/2018-12-31-homeowners-gain-more-muscle-on-repossessioned-houses/retrieved on 10/01/2019](https://www.businesslive.co.za/bt/money/2018-12-31-homeowners-gain-more-muscle-on-repossessioned-houses/retrieved%20on%2010/01/2019)

²³ Ryan, Ciara. 2018. Banks slapped down over home repossessions in Johannesburg court case. Moneyweb

²⁴ [https://www.businesslive.co.za/bt/money/2018-12-31-homeowners-gain-more-muscle-on-repossessioned-houses/retrieved on 10/01/2019](https://www.businesslive.co.za/bt/money/2018-12-31-homeowners-gain-more-muscle-on-repossessioned-houses/retrieved%20on%2010/01/2019)

Character education

Instilling ethical values in shaping South Africa's future leaders

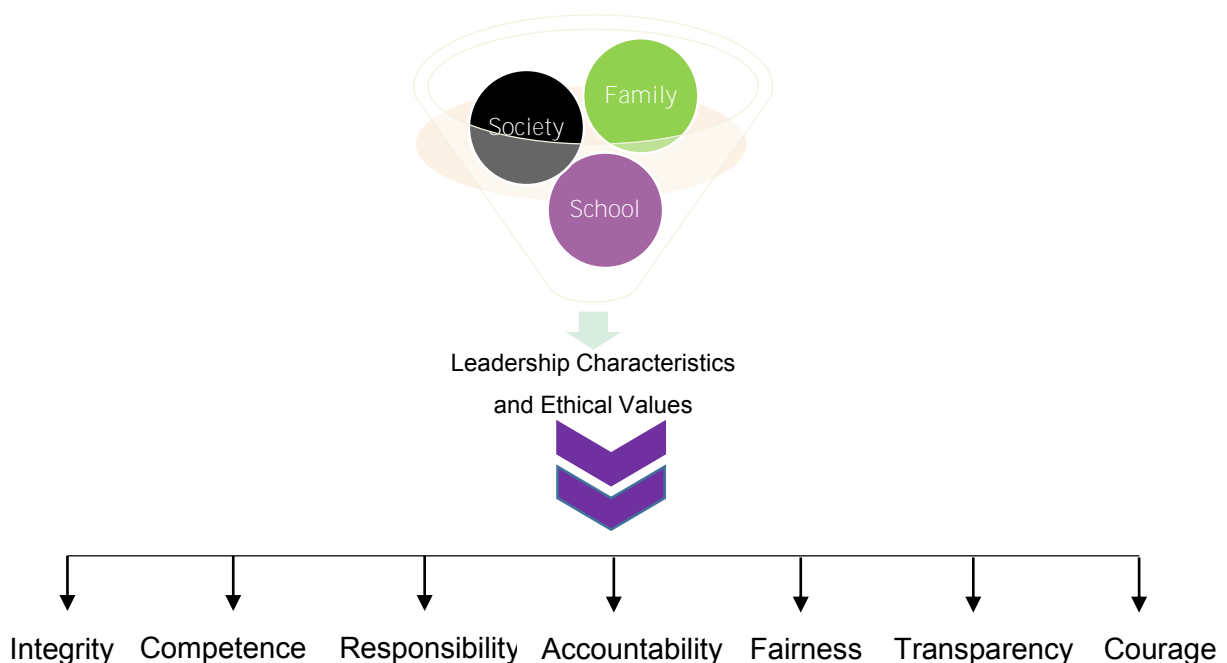
Vikeshni Vandayar

Governance and Legal Specialist: Institute of Directors in Southern Africa (IoDSA)

The children are our future leaders, and schools play a vital role as the catalyst in their journey towards both intellectual and ethical well-being. What does governance have to do with character? Everything. The basis of good governance is ethics; ethical leadership links to the character of the leader and his/her values.

I was introduced to this topic of character education at the Heart of a Champion Africa Education NPO's Character Education Conference, where I spoke about governance and the link thereto. The conference was established to explore the potential of "character education" as an essential component to add to the educational system among South African principals and teachers. This is a commendable initiative to look at improving education practices and exploring pathways to providing a complete development of South African youth, both intellectually and ethically.

There are a number of areas that influence an individual's moral compass such as, *inter alia*, family, friends, society, school and personal experiences (both negative and positive). Everyone is different, so how can we expect every individual to have the same moral values and views as the next. We cannot. But the schooling environment has the ability to instil and set the norm for standards of behaviour/conduct, as does society and community in which we live.



A good leader shows certain ethical characteristics. The IoDSA King IV Report on Corporate Governance™ for South Africa 2016 lists these as integrity, competence, responsibility, accountability, fairness, transparency and

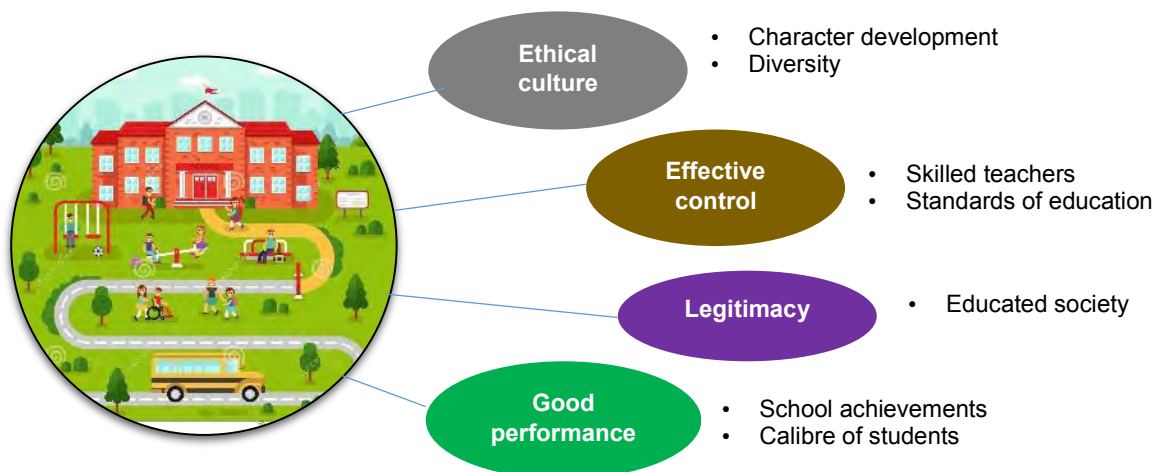
courage. While King IV is often associated in business or corporate South Africa, the ethical characteristics that underpin the outcomes it wishes to achieve are universally applied to every context and individual. These are the characteristics that schools should be aiming to instil in its students so that they can be good leaders one day.

There is no good governance without ethical leadership – the leader dictates the norms and impacts the ethical values underpinning the way in which business or other is conducted. As an individual you have the power to determine the road you take and the ethical values you support and live by. The decision to take money from the kitty today when it’s not your property even if the intention is to pay it back tomorrow – impacts the ethical character built and road that unfolds. One small action leads to another small action, which leads to bigger transgresses over time which are over looked as they have become the norm.

The acceptance or turning a blind eye of others unethical behaviour also creates an impression to those around you and who look up to you, on what is right and wrong. By not having the courage to stand up to unethical behaviour – you tacitly form part of allowing it to happen (if you are aware of it). It is for this reason that organisations (including the family home) should set the standard of conduct expected in order to provide the individuals who are expected to live by it a compass to refer to. Schools have the ability to teach these key lessons in the classroom and the schooling environment by setting the example for its students at a very young age.

The concept of “going to school” itself brings with it key life lessons such as commitment, responsibility, discipline, respect, compassion, acceptance, rules/compliance, hard work/worth ethic, sharing etc. Through having to go to school every day, wearing a uniform, listening to your teacher, having to study to pass an exam or failing if you did not, detention or punishment for bad behaviour, interacting with different cultures and individuals, teamwork through sports, and being part of a community etc. – you learn and experience key lessons which shape your character.

This diagram provides an example of items which may resonate with SGBs under each of the King IV outcomes



Practices School Governing Bodies (SGBs) incorporate to achieve the King IV Principles should ultimately be aiming to achieve the outcomes of ethical culture, effective control, good performance and legitimacy. These outcomes are universal and thus can be applied to a SGB/School. The SGB should look at breaking down those outcomes to tangible targets, which it wishes to achieve that that will indicate whether or not it is achieving those outcomes. For example, character education could be a specific tangible outcome/plan which seeks to ultimately contribute to the school achieving an ethical culture. Teachers play an integral part in shaping students characters

and teaching them those ethical characteristics above. A school provides the youth with their first glimpse of good governance and what it means to be part of a bigger eco-system.

The effects of counterfeiting

Counterfeit products affect different industries and impact not only the economy, but also consumers' health and safety

Tshepiso Lefoka

Research Intern: Market Research and Trend Analysis, **the dti**

The Counterfeit Goods Act defines 'counterfeit goods' as both imitations that are substantially identical to the protected goods and colourable imitations that are confusingly similar to the protected goods.

African countries, including South Africa, are particularly vulnerable to the sale of counterfeit goods because so much commercial activity takes place in unregulated markets, while resources for fighting counterfeiting are also inadequate²⁵ (Walters, 2017). Counterfeiting presents a new challenge to consumer protection because products are manufactured and distributed outside the legitimate commercial supply chain. Counterfeit products affect different industries and impact not only the economy, but also consumers' health and safety.

According to Euromonitor International (2015), counterfeit products affect a number of goods and brands, from consumer goods to other industries. Counterfeit products also inhibit the government from collecting value-added tax, customs and excise duties. The consequence is fiscal loss, increased criminal activities and potentially greater instability.

According to the Consumer Goods Council Chief Executive Mangozhe, as cited in a *City Press* article, the estimated size of illicit economy is close to 10% of gross domestic product (GDP) in South Africa.²⁶ Counterfeit products have a profound impact because of the associated health risks. For example, an estimate by the World Health Organisation shows that more than 100,000 people die in Africa every year because of counterfeit pharmaceuticals.

The South African Consumer Protection Act is a law of general application that intersects with many different bodies of law. The creation of a resilient anti-counterfeiting strategy can therefore be a challenging task given the cross-cutting nature of the crime, as well as the local nuances that come into play. In light of this, an inter-governmental drive that is supported by the private-sector intelligence is important to drastically reduce the threat of counterfeits. A regulatory framework that sets out the roles and responsibilities of the relevant entities that have a regulatory responsibility for consumer safety and anti-counterfeiting is also crucial.

Recent incidents of violence observed in October and November 2018 raised a red flag to the authorities when foreign spaza shops owners were accused by local communities in South Africa of selling fake and/or expired

²⁵ Chris, Walter. 2017. Africa Counterfeiting. <https://www.spoor.com/docs/4549/Feature%20Africa.pdf>

²⁶<https://city-press.news24.com/Business/illicit-goods-amounts-to-almost-10-of-gdp-20180914>

food.²⁷ Various stakeholders with different legislative mandates were implicated and had to work together to come up with resilient anti-counterfeit strategies. Critical authorities involved included the Department of Health, Environmental Health Practitioners Inspectorates in municipalities, law enforcement agencies, the South African Revenue Authority (SARS), industry organisations such as the Consumer Goods Council of South Africa (CGCSA) and the National Consumer Commission (NCC). This is a recognition of the need to combat counterfeit products, especially those that pose health and safety threats.

According to the International Chamber of Commerce (ICC), countries should establish consumer protection policies that encourage the appropriate disclosure of information such as the identity of the business, its legal name, principal geographic address, website and e-mail address, telephone number and its government registration or licence numbers. Furthermore, regulations should be developed and enforced to mandate the display of consumer care contact details to allow consumers to register complaints or to verify whether products are genuine. Failure to display information should be penalised by regulatory and law enforcement authorities. This is crucial in helping consumers and regulatory authorities to identify illicit traders and differentiate them from those conducting legitimate business operations.²⁸

In view of this, one can argue that the Consumer Protection Act No. 68 of 2008 is aligned to the principles of the ICC. Section 22 stipulates that a supplier must disclose information on goods and services in plain and understandable language. Section 24 (2) also stipulates that a supplier must not knowingly apply to any goods a trade description that is likely to mislead the consumer or prospective consumer.²⁹ The regulatory framework to fight counterfeiting or illicit trade is appropriate, the challenge lies with the lack of consumer education and awareness, law enforcement and inter-governmental action that is supported by private sector intelligence.

²⁷ The Citizen (2018)

²⁸ International Chamber of Commerce (2016) strengthening consumer protection: measures to adapt the un guidelines for consumer protection to guard against counterfeiting and piracy

²⁹Consumer Protection Act No. 68 of 2008

Contact details

Legislation	Department or agency	Switchboard/call centre	Complaints/compliance line	Email address
National Credit Act (Act No. 34 of 2005)	National Credit Regulator (NCR)	011 554 2700	086 062 7627	complaints@ncr.org.za For complaints regarding debt counselling: dccomplaints@ncr.org.za
Consumer Protection Act (Act No. 68 of 2008)	National Consumer Commission (NCC)	012 428 7726	012 428 7000	complaints@thecc.org.za
	Consumer Goods and Services Ombudsman (CGSO)	011 781 2607	086 000 0272	complaints@cgso.org.za/ info@cgso.org.za
	Consumer Goods Council of South Africa (CGCSA)	086 124 2000		info@cgcsa.co.za
	National Consumer Tribunal (NCT)	012 683 8140		registry@thenct.org.za
	National Regulator for Compulsory Specifications (NRCS)	012 482 8700		
Companies Act (Act No. 71 of 2008)	Companies and Intellectual Property Commission (CIPC)	086 100 2471		
	Companies Tribunal (CT)	012 394 3071 012 394 5553		registry@companiestribunal.org.za
	Takeover Regulation Panel (TRP)	011 784 0035		admin@trpanel.co.za
Liquor Act (Act No. 59 of 2003)	the dti: National Liquor Authority (NLA)	012 394 1683		
Lotteries Act (Act No. 57 of 1997)	National Lotteries Commission (NLC)	012 432 1300/ 1399	012 432 1434 08600 65 383	
	National Lotteries Distribution Trust Fund (NLDTF)	086 006 5383		nldtf@nlcsa.org.za
National Gambling Act (Act No. 7 of 2004)	National Gambling Board (NGB)	086 722 7713	010 003 3475	info@ngb.org.za