

## **APRIL TO JUNE 2017 EDITION**

**IPAP is Critical to Radical Economic Transformation – Minister Davies** 



The Minister of Trade and Industry, Dr Rob Davies says the Industrial Policy Action Plan (IPAP) is critical to achieving Radical Economic Transformation. Minister Davies was speaking at the launch of the ninth iteration of IPAP which took place in Sandton today.

IPAP is firmly entrenched in government's overall policy and plans to address the key challenges of economic and industrial growth and race based poverty, inequality and unemployment The plan, which is a key component of the Nine Point Plan, aims to develop a more competitive and diversified economy with a higher global share of products.

Emphasising the importance that government attaches to Radical Economic Transformation and inclusive growth for the SA economy, Minister Davies outlined new initiatives that are part of concerted efforts to shift the productive base of the economy in order to create decent and sustainable jobs.

"In the simplest terms, Radical Economic Transformation means putting coherent initiatives together that can begin to shift the productive base of our economy away from the inherited colonial division of labour and create decent sustainable jobs - particularly for the most marginalised and vulnerable groups in our society. It means unequivocal and urgent support for programmes such as the Black Industrialists Programme, which are increasingly being strengthened and deepened, to ensure that ownership, management and control of the economy is increasingly in the hands of black people," said Minister Davies.

He added unless South Africa secured the necessary steps towards structural change in the economy and secure much higher levels of investment in the productive sectors of the economy, Radical Economic Transformation may become a hollow phrase and a moveable feast for any manner of ill-considered economic recipes.

"Radical Economic Transformation is essential. But it is not about quick fixes and big bangs. It is hard, painstaking work. It needs pragmatism. It requires dialogue. It requires policy certainty and programme alignment. It requires a collaborative effort with the private sector. It needs a willingness to accept trade-offs and sacrifices that can deliver social consent and stability," said Minister Davies.

He identified Radical Economic Transformation as one of the focus areas and key priorities of IPAP 2017/18-2019/20. This will comprise of upscaled efforts to secure shared and inclusive growth with respect to transformation of ownership and management control; empowerment through decent jobs, especially in labour-intensive sectors.

Minister Davies also stressed the need for a step-change to secure a higher impact, lazer-focussed industrial strategy which can secure much higher levels of investment, especially in manufacturing, to lead the country's economy out of its current trajectory and to address poverty, unemployment and inequality.

He added that IPAP 2017/18-2019/20 will focus on the following key themes which inform the work both of the Department of Trade and Industry (**the dti**) and act as a roadmap in general for the industrial effort:

- Growing the economy by working closely with the private sector to secure and support investment in a modernised and competitive manufacturing and export sector.
- Strengthening efforts to raise aggregate domestic demand, mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
- Stepping up South Africa's export effort, with a focus on key existing exporters, emerging export-ready firms and strong support for new black industrial entrepreneurs.
- Strengthening ongoing efforts to build a less concentrated, more competitive economic and manufacturing structure in which barriers to entry for new entrants are lowered.
- Pressing ahead with technology-intensive, value-adding beneficiation projects which fully leverage SA's comparative resource endowment advantage into a global competitive advantage.
- Optimising technology transfer and diffusion and a greater effort, working closely with the Department of Science and Technology to commercialise 'home-grown' R&D in key sectors.

- Supporting the further strengthening of energy-efficient production and carbon mitigation efforts and measures in a manner that allows for sustainable adaptation by all the energy-intensive sectors of the economy.
- Ensuring that the foreseeable effects of the Fourth Industrial Revolution and emergent disruptive technologies are understood, and adapt SA's productive and services sectors to meet the challenges, including those relating to employment displacement.

## NBR to lead national consultative road-shows across the country



The National Regulator for Compulsory Specification (NRCS) through its National Building Regulations (NBR) will lead national consultative roadshows to interact with various local, district and metro council's aimed at raising awareness about the function of the Business unit.

The roadshows are also aimed at improving intergovernmental cooperation and facilitating service delivery with regard to approval of building plans and dispute resolution where they arise within the built environment.

The National Building Regulation Business Unit is responsible for ensuring uniform understanding and implementation of the building regulations and building standards in accordance with the National Building Regulations and Building Standard Act (Act no 103 of 1977)

The roadshows were prompted by poor turn-out during the annual Building Control Officer's Convention which the NRCS jointly convene with the Department of Trade and Industry. During the past five events, it was noticed that most councils across the country are not represented rendering the convention ineffective

The NRCS is committed to protect consumers against harmful products that are offered for sale in the South African market.



Following concerns raised by the Seafood Exporters and Marine Products Exports Development Authority (Mpeda) after the rejection of Vannamei Shrimp consignments by the National Regulator for Compulsory Specifications, the organisation would like to emphasise that it is obligated by law to inspect all products including the frozen fish, canned fish and canned meat as part of its mandate to promote public health and safety, protect the environment and ensure fair trade.

This mandate is achieved through the development and regulation of various compulsory specifications. According to the NRCS Act, no person may import, sell or supply a commodity, product or service to which a compulsory specification

applies, unless the commodity, product or service complies with, or has been manufactured in accordance with, the compulsory specification.

It is in line with this mandate that the Vannamei Shrimp consignments were subjected to the inspection, certification and approval process by the Food and Associated Industry Unit of the NRCS to determine compliance to the food safety requirements and to ascertain fit for consumption as prescribed by the Compulsory Specifications and in terms of the Codex Alimentarius Code of Practice on Food Hygiene.

The inspection process is comprised of a physical examination and microbiological testing, and where deemed necessary based on risk, chemical analysis as well as stipulated in the various Compulsory Specifications, the National and International Standards.

Various pathogenic vibrio species were discovered in the consignments therefore rendering these products non-compliant which necessitated the rejections. All consignments that do not meet food safety requirements as stipulated in the Compulsory Specifications and are declared not for sale or unfit for human consumption have to follow the NRCS sanctioning process as stipulated in section 15 of the NRCS Act (Act No.5 of 2008) and as amended through the Legal Metrology Act (Act No.9 of 2014).

As part of the sanctioning process, the NRCS may direct the importer of the consignment to return it to the country of origin, destroy it or deal with it in a manner that the National Regulator may consider fit. The Codex Alimentarius Code of Ethics are also considered in determining a suitable and fit manner to deal with rejected food consignments.

The NRCS has been confronted with food safety challenges that posed risks to consumers where various pathogenic vibrio species were detected in numerous imported consignments of fish and fishery products since mid-2016 and in

response, the Regulator had to exercise due diligence and use precautionary principles aimed at protecting the health of South African consumers.

Initially this non-conformance was only limited to one importing country, but a revised NRCS sampling and testing protocol established that non-conformance is prevalent in various other importing countries as well.

In terms of the international obligations as far as food safety is concerned and in alignment with the principles and guidelines pertaining to food inspection and certification, the NRCS has pro-actively engaged with the worst affected importing countries to address the non-conformance of the infected and contaminated consignments of fish and fishery products as part of its mandate. This, with the main aim of protecting South African consumers, but also to mitigate against the negative impact on trade of these product between countries.

## NRCS educated Gauteng entrepreneurs about compulsory specifications

In its quest to empower and educate black entrepuners from around Gauteng, the NRCS joined other government enties such as the South African Revenue Services, Small Enterprise Development Agency during a business workshop organised by the department of Rural Development and Land Reform.

The purpose of the workshop was to empower Gauteng entrepreneurs about various legislation and regulations they need to comply with in order operate successful businesses.

During the workshop, the NRCS displayed some of the products it regulates to ensure that delegates have a better understanding of the role of the organisation.

## Issued by National Regulator for Compulsory Specifications (NRCS)