

Report of the Portfolio Committee on Trade, Industry and Competition on its activities undertaken during the Sixth Parliament (July 2019 – March 2024)

1. Introduction

The Department of Trade, Industry and Competition (DTIC) was an amalgamation of the former Department of Trade and Industry (DTI), and Economic Development Department, as announced by the President, Mr MC Ramaphosa, in his June 2019 State of the Nation Address. The 2019/20 financial year was focused on overseeing the two Departments while the process of restructuring was being undertaken for the 2020/21 financial year. However, the COVID-19 pandemic and the subsequent lockdowns had a negative impact on the DTIC's mandate to facilitate inclusive economic development, as well as the Committee's focal points for oversight. As a result, the oversight focus shifted from the programmes of the new DTIC and its entities towards COVID-19 interventions and the Economic Reconstruction and Recovery Plan. This was also affected by the July 2021 unrest and the impact of floods in KwaZulu-Natal and the Eastern Cape.

In the 2022/23 financial year, the economic environment became more normalised and oversight activities, such as oversight visits, could resume. Subsequently, the Committee's main focus had been on spatial and inclusive economic development in terms of Special Economic Zones (SEZs), Industrial Parks and Black Industrialists; oversight over entities, particularly the National Lotteries Commission (NLC), the National Regulator for Compulsory Specifications (NRCS) and the South African Bureau of Standards (SABS); and the processing of the Copyright, Performers' Protection, Companies and Companies Second Amendment Bills.

1.1 Department/s and Entities falling within the Committee's portfolio

1.1.1 Department of Trade, Industry and Competition

The DTIC is responsible for:

- Promoting structural transformation, towards a dynamic industrial and globally competitive economy;
- Providing a predictable, competitive, equitable and socially responsible environment, conducive to investment, trade and enterprise development;
- Broadening participation in the economy to strengthen economic development;
- Continually improving its skills and capabilities to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens;
- Co-ordinating the contributions of government departments, state entities and civil society to effect economic development; and
- Improving alignment between economic policies, plans of the state, its agencies, government's political and economic objectives and mandate.

1.1.2 Entities

Name of Entity	Role of Entity
Broad-Based Black Economic Empowerment Commission (B-BBEE)	It oversees, supervises and promotes adherence to the B-BBEE Act (No. 53 of 2003) to ensure that the objectives of B-BBEE policy is met. It may investigate any matter concerning B-BBEE and must maintain a register of major B-BBEE transactions, above a threshold determined by the Minister in the Gazette.
Companies and Intellectual Property Commission (CIPC)	Registers businesses, intellectual property rights and other juristic persons such as cooperatives, maintains related registries and develops information for disclosure to stakeholders, promotes compliance and

Name of Entity	Role of Entity
	enforcement of the Companies Act, particularly in areas such as receiving and initiating complaints regarding alleged contraventions and investigating relevant complaints and financial reporting standards. In addition, it promotes education and awareness regarding company and intellectual property laws and related matters.
Companies Tribunal (CT)	Adjudicates in relation to any application that may be made to it, and make any order as provided for in the Companies Act in respect of such an application. In addition, the Tribunal may serve as a forum for voluntary alternative dispute resolution.
Competition Commission (CompCom)	Investigates, controls and evaluates restrictive business practices, including the abuse of dominant positions and mergers. It also promotes the advocacy of competition issues to achieve equity and efficiency in the South African economy.
Competition Tribunal	Adjudicates all large corporate mergers and allegations of restrictive practices and abuse brought before it by the CompCom and other interested parties to promote and maintain competition in the South African economy.
Export Credit Insurance Corporation of South Africa (ECIC)	Facilitates and encourages South African export trade by underwriting bank loans and investments outside the country in order to enable foreign buyers to purchase capital goods and services from the Republic.
Industrial Development Corporation (IDC)	Leads the development of industrial capacity by investing in individual business enterprises, and by acting as a catalyst for the creation or revitalisation of industries.
International Trade Administration Commission of South Africa (ITAC)	Establishes and maintains an efficient and effective administration system for international trade to foster economic growth and development, raise income levels, and promote investment and employment in South Africa and the common customs area.
National Consumer Commission (NCC)	Investigates complaints and refers them to courts or the National Consumer Tribunal for prosecution; issues compliance notices and conducts awareness and education compliance campaigns.
National Consumer Tribunal (NCT)	Adjudicates on applications under the National Credit Act (No. 34 of 2005) by consumers, credit providers, debt counsellors and the credit regulator, as well as on matters relating to allegations of prohibited conduct referred by the National Credit Regulator. In addition, the Tribunal will also be adjudicating on cases referred to it by the NCC under the Consumer Protection Act (No. 68 of 2008)
National Credit Regulator (NCR)	Regulates the South African credit industry. Its functions include education, research, policy development, registration of industry participants, investigation of complaints, and ensuring enforcement of the National Credit Act.
National Empowerment Fund (NEF)	Enables, develops, promotes and implements innovative investment and transformation solutions to advance sustainable black economic participation.
National Gambling Board (NGB)	Upholds the integrity, viability and sustainability of the gambling industry by promoting uniform norms and standards across provinces
National Lotteries Commission (NLC)	Regulates the National Lottery and all other lotteries in South Africa, including society lotteries to raise funds and promotional competitions. Other responsibilities of the Commission include advising the Minister of Trade, Industry and Competition on policy matters relating to the National Lottery and other lotteries; administering the National Lottery Distribution Trust Fund (NLDTF) and holding it in trust; and providing administrative support to the distributing agencies who adjudicate applications for funding or make

Name of Entity	Role of Entity
	allocations to organisations.
National Metrology Institute of South Africa (NMISA)	Maintains primary scientific standards of physical quantities, certifies reference materials and performs referee analysis in cases of measurement dispute to ensure all accurate measurement in South Africa. It also provides internationally recognised measurement standards and measurement services, which provide for the local use of measurement and derived units of the International System of Units (SI).
National Regulator for Compulsory Specifications (NRCS)	Administers the National Regulator for Compulsory Specifications (No. 5 of 2008), the Legal Metrology (No. 9 of 2014) and the National Building Regulations and Building Standards (No. 103 of 1977) Acts, as well as other regulations that fall under other departments as far as they relate to compulsory standards to protect human health, safety and the environment and ensure fair trade, in accordance with government policies and guidelines.
South African Bureau of Standards (SABS)	Promotes and maintains standardisation and quality in connection with commodities and the rendering of services.
South African National Accreditation System (SANAS)	Formally recognises the competency of Laboratories, Certification Bodies, Inspection Bodies, Proficiency Testing Scheme Providers and Good Laboratory Practice (GLP) test facilities to carry out specific tasks.
Takeover Regulation Panel (TRP) ¹	Regulates affected transactions and offers related to the disposal of a large part of a regulated firms' assets, an amalgamation or merger, the acquisition of voting securities or a beneficial interest in a regulated company, among others, to protect the shareholders of such regulated company(ies).

1.2 Functions of portfolio committees

The Constitution of the Republic of South Africa, 1996, establishes Parliament and sets out its mandate and the functions it performs. Parliament's role is to represent the people and ensure a government by the people informed by the Constitution. Such representation is put into operation by means of public representatives who represent the will of the people in the processes of passing legislation, overseeing executive action, and the facilitation of public involvement, co-operative government and international engagement.

The Rules of Parliament provides for Portfolio Committees to:

- Process legislation introduced by the corresponding Minister, or referred to it by resolution of the House, and where necessary initiate legislation.
- Oversee the work of the corresponding Department and associated institutions.
- Make policy recommendations in the portfolio area on the basis of wider public consultation where necessary.
- Engage the Executive with respect to related international matters.

¹The TRP was gazetted as a Schedule 3A public entity in terms of the Public Finance Management Act (Act No. 1 of 1999) on 28 March 2023.

Furthermore, Section 5 of the Money Bills Amendment Procedure and Related Matters Act (No. 9 of 2009) requires Portfolio Committees to annually assess the performance of each national department. A Committee must submit a report of this assessment known as a Budgetary Review and Recommendation Report (BRRR). The overarching purpose of the BRRR is for the Committee to make recommendations on the forward use of resources to address the implementation of policy priorities and services as these may require additional, reduced or re-configured resources for the department.

Section 57(2) of the Constitution defines the powers of committees through which the Portfolio Committee on Trade, Industry and Competition exercises oversight over the DTIC and 18 entities, as well as the B-BBEE Commission, a trading entity within the DTIC. It also oversees the implementation of 55 pieces of legislation administered by the DTIC and its entities.

The DTIC is primarily responsible for the development and implementation of industrial policy, international trade relations, and export and investment promotion to facilitate a conducive environment to promote economic growth and development. In addition, it is responsible for consumer protection and corporate regulation including competition policy, as well as promoting broad-based black economic empowerment.

1.3 Method of work of the Committee

Committees of Parliament are governed by specific rules as required in terms of the Constitution. These rules govern how they operate in performing their core mandate, as mentioned above. The Rules explicitly state that Committees may determine their working arrangements. However, they clearly outline the process on how the Committee shall procedurally process legislation. This relates to calling for submissions, holding public hearings, and having an open, transparent, and deliberative process.

The Committee in the Sixth Parliament extensively consulted the public to solicit their views on proposed legislation. Where additional legislative proposals had been proposed during the public hearings, the Committee allowed for further public consultation on specific clauses. Thus, it promoted and extensively pursued public consultation in the legislative process. When the Committee considered legislation that was technical and complex in nature, it has solicited the services of experts to advise it. In sourcing the necessary expertise, a bi-partisan approach was taken by encouraging Members of the Committee to submit names of experts for consideration.

Oversight is a critical tool to ensure that Parliament holds the Executive to account in terms of its policy decisions and implementation thereof, as well as on how allocated resources are utilised in this regard (budgetary oversight). Oversight can take several forms including Committee meetings, workshops or colloquiums, and physical oversight visits. An oversight activity could thus cover briefings by the DTIC and/or its entities; engagements with relevant stakeholders on the impact and implications of the implementation of government policy and/or legislation; or site visits of projects supported by the Department and/or its entities.

In terms of budgetary oversight, the Money Bills Amendment Procedure and Related Matters Act (No. 9 of 2009) sets out the process for Parliament to make recommendations to the Minister of Finance to amend the budget of a national department. In October of each year, portfolio committees must compile BRRR that assess a department's service delivery performance, allocative efficiency with respect to its financial, human and capital resources; evaluate the effective and efficient use and forward allocation of resources; and may make recommendations on the forward use of resources over the Medium-Term Expenditure Framework period. Due to its substantial workload, the Committee agreed that it would identify several entities to consider during the strategic plan and annual report processes.

It should also be noted that, shortly after the advent of the COVID-19 pandemic and the lockdown regulations in March 2020, Parliament moved from only hosting physical meetings to mainly virtual meetings on the Zoom platform. The situation continued due to the impact of the damage caused by the fire at Parliament in January 2022, as most meeting rooms within the parliamentary precinct had either been damaged or were inaccessible.

Regarding the Committee’s contribution to ongoing policy considerations, the Committee undertook an international study visit to South Korea to investigate its policies on industrial development, SEZs, and investment promotion. Government was considering moving towards a public-private partnership with regard to the development of SEZs and Industrial Parks. Informed by the Committees visit it contributed to the policy debate and submitted recommendations as part of the process.

1.4 Purpose of the report

The purpose of this report is to provide an overview of the activities the Committee undertook during the Sixth Parliament, the outcome of key activities, as well as any challenges that emerged during the period under review and issues that should be considered for follow-up during the Seventh Parliament. It concludes with a recommendation to strengthen procedural processes to enhance the Committee’s and legislative role in future.

2. Key statistics

The table below provides an overview of the number of meetings held, legislation and international agreements processed and the number of oversight trips and study tours undertaken by the Committee, as well as any statutory appointments the Committee made, during the Fifth Parliament:

Activity	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Meetings held	42	56	40	47	44	229
Legislation processed	0	0	0	2	4	4
Oversight trips undertaken	1	1	1	1	1	5
Study tours undertaken	0	0	0	1	0	1
International agreements processed	1	0	0	0	1	2
Statutory appointments made	0	0	1	1	0	2

3. Briefings/Public hearings on substantive matters and on BRRR requirements

Informed by the DTIC’s key priorities, namely industrial development; trade, investment and exports; broadening economic participation; and regulation, the Committee had extensive briefings and/or public hearings over the five-year period, as well as in relation to its BRRR process. These are briefly discussed below.

3.1 Industrial development

3.1.1 Master Plans

The Committee held several meetings with the DTIC and industry stakeholders on the development and implementation of Master Plans, which had replaced the rolling Industrial Policy Action Plan. The Master Plans were developed in partnership with government, business, labour and research organisations in specific sectors. The DTIC was responsible for seven Master Plans covering the automotive sector; sugar value chain; poultry industry; furniture industry; retail clothing, textile, leather and footwear (R-CTFL) sector; steel and metal fabrication sector; and global business processing. The Committee identified some successes and challenges based on its engagements on the Master Plans. However, it had not engaged extensively on all the existing Master Plans. Therefore, there is a need to continue the work that the Committee has done thus far, as well as to foster engagement with stakeholders on the Master Plans.

In terms of the South African Steel and Metal Fabrication Master Plan 1.0, one of its aspects is the reduction and availability of input costs in the value chain, specifically the availability of quality scrap metal. The Committee has also placed an emphasis on scrap metal, given the high levels of theft and vandalism of public infrastructure sold as scrap metal that is then exported to other countries. In response to these challenges, the DTIC has replaced its Price Preference System with the *Policy Implementation Actions on Measures to Restrict and Regulate Trade in Ferrous and Non-Ferrous Metals Waste, Scrap and Semi-Finished Ferrous and Non-Ferrous Metal Products to Limit Damage to Infrastructure and the Economy*. This introduced a temporary six-month ban on scrap metal exports, which had subsequently been extended, among others. The intention was to develop an applicable metal trading registration regime, which had been at a testing phase at the end of December 2023. However, a concern has also been raised that such interventions should be evidence-based.

With regard to the sugar industry, the Committee had extensive engagements with stakeholders. While the stakeholders have been focused on the impact of the health promotion levy² (HPL) on the industry, it was clear that the policy stance was not going to be reversed. Therefore, the Committee had proposed that a colloquium be held to explore the impact of the HPL on the industry but also opportunities for the diversification of sugarcane to overcome these impacts and grow the industry. Due to time constraints and changes to the parliamentary programme, the colloquium was not able to schedule such a colloquium. However, it welcomed the Minister of Finance's suspension of further increases to the HPL over a 24-month period to provide the industry with an opportunity to explore and establish alternative value chains for sugarcane. However, it is critical that amendments are made to the sugar legislation to create an enabling environment for the diversification of sugarcane use.

3.1.2 Industrial financing

Over the period under review, the Committee conducted oversight over the DTIC, the IDC and the NEF in terms of their funding to beneficiaries. This included briefings and oversight visits to identified projects in the Western Cape and Mpumalanga, which benefited from industrial financing. Furthermore, the Committee had also engaged on the impact of the July 2021 unrest and floods on the economy and affected businesses and the support that had been made available. It had monitored the economic recovery support interventions offered in this regard.

In addition, the Committee has received correspondence from a number of stakeholders raising concerns about inadequate feedback and/or insufficient support provided regarding their applications. The Committee has brought these matters to the attention of the Minister. In this regard,

²A tax on sugar-sweetened beverages.

he had indicated that the DTIC would be looking at setting up an adjudication review committee to assess applications where there were disputes between the development finance institutions and applicants. However, this committee had not yet been established as at the end of December 2023.

3.1.3 Localisation and local public procurement

One of the DTIC's key industrial policy tools has been promoting localisation, i.e. the domestic manufacturing of products using a certain proportion of local materials and/or inputs, supported by public procurement to increase the domestic demand for these goods. In this regard, the former DTI had designated a range of products with a minimum percentage local content to be procured by government, public entities and state-owned companies. This was provided for in National Treasury's Regulations of the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) (PPPFA). However, in 2022, the Constitutional Court had ruled that the 2017 Preferential Procurement Regulations were inconsistent with the PPPFA, and thus that these regulations were invalid. While Treasury was developing new Regulations, it was also developing the Public Procurement Bill [B18-2023], which would codify this policy tool. The Bill was currently before the National Council of Provinces. Therefore, the DTIC has been unable to use this tool effectively in the interim.

The Committee has consistently raised the importance of localisation, especially through mineral beneficiation. It was also of the view that the State has an important role to play in supporting the manufacturing sector by purchasing locally produced goods and services.

3.1.4 Green economy

The Committee noted that there is pressure from the developed world to implement trade and other measures to lower carbon emissions and mitigate the effect of climate change. As a result, the South African manufacturing sector is vulnerable given its dependence on coal-generated electricity and the accompanying high levels of carbon emissions. Notwithstanding energy reforms being implemented, the Committee acknowledged that there is a greater need to shift industry into the green economy and grow new green industries. In this regard, it has been monitoring the DTIC's Energy Action Plan and has received initial briefings on the Green Hydrogen Commercialisation Strategy and the long-awaited Electric Vehicle White Paper.

3.1.5 Enablers of industrial development

Since 2009 to date, the Committee has done substantive oversight over the work of the former DTI and the current DTIC around industrial development. In this regard, the Committee has identified a number of factors that have constrained the manufacturing sector. These included high administrative prices, electricity supply constraints, poor water quality and insecure water supply, as well as the availability and reliability of port and transport logistics. Most of these factors are outside the mandate of the DTIC. However, the DTIC has done substantive work in unblocking projects; providing incentives; and supporting businesses through the National Cleaner Production Centre. More recently, it has been implementing its Energy Action Plan to support businesses given the electricity crisis and to invest in renewable energies. Therefore, the Committee was of the view that there is a need to engage relevant stakeholders on the impact on the manufacturing sector, the progress made, and what challenges remained.

3.1.6 Technical infrastructure

The DTIC has four technical infrastructure institutions who collectively are responsible to ensure domestic standardisation, quality assurance, accreditation and metrology. These institutions are the SABS, the NRCS, the SANAS and the NMISA.

In the Sixth Parliament, the Committee has had a particular focus on the implementation of the turnaround strategies of the SABS and the NRCS. This was necessitated by the SABS being placed under administration in July 2018 and the NRCS addressing a long-standing audit finding regarding its levy revenue estimates, among others. In this regard, the Committee had regular engagements with the two entities to monitor their progress.

To date, the SABS has appointed a new board and was no longer under administration. It had stabilised its financial situation and had made significant investments in its critical infrastructure as part of its turnaround strategy. However, it was still finalising its restructuring process and was required to fill critical vacancies. The Committee was of the view that SABS Commercial should endeavour to keep abreast of technological developments and maintain the relevant accreditations to ensure that it is the preferred testing facility for industry.

The NRCS had resolved its long-standing audit finding in the 2022/23 financial year and had received an unqualified audit opinion in that year. However, there was still a need to monitor its Information and Communication Technology (ICT) modernisation process; the filling of critical vacancies; and the implementation of its risk-based approach to processing Letters of Authority to ensure that it did not regress in future. Furthermore, it had made progress in implementing the Legal Metrology Act (Act No. 9 of 2014); however, it was still faced with an obligation to implement unfunded mandates, such as the compulsory specification on processed meats. Finally, the DTIC had identified amendments to the National Building Regulations and Building Standards Act (Act No. 103 of 1977) as priority legislation in its 2023/24 Annual Performance Plan. However, this Bill had not been tabled in the Sixth Parliament.

In terms of the NMISA, there are concerns around its aging infrastructure and equipment, as well its ability to ensure that it has a skilled workforce and an effective succession plan. The Committee noted that the DTIC had provided additional resources for capital investment to NMISA. However, this had been insufficient to address its building requirements. Furthermore, there were concerns raised about NMISA's ability to maintain its technical human capital. These two aspects were critical as NMISA maintained the units of metrology for South Africa, which was essential for industry and the general health and safety of society and the environment. The Committee was also of the view that its income generation capacity should be reconsidered given its core mandate and available resources. Furthermore, it had been concerned by the number of staff suspensions, particularly that of the Chief Financial Officer.

SANAS appeared to have performed well over the five-year period. However, the Committee remained concerned with the delay in appointing a Chief Executive Officer, as the recommendation had been forwarded to the Minister for his consideration in August 2023 already. In addition, there had been poor performance in paying creditors within 30 days of receipt of their invoices due to inefficient processes and systems governing this.

3.2 Trade, investment and exports

The Committee had been regularly monitoring the unfolding of South Africa's trade negotiations and its relations with existing trading partners. This has included a focus on the multilateral negotiations at the World Trade Organization (WTO); the ongoing negotiations on the African Continental Free Trade Area (AfCFTA) and its implementation of the Agreement thus far; the implementation of the Economic Partnership Agreement with the European Union, as well as other trade agreements, and on the extension of the United States' African Growth and Opportunity Act (AGOA) and South Africa's out-of-cycle review in this regard. While the Committee acknowledged that the negotiation of international treaties is the purview of the Executive, it has an oversight role to play in this regard and may provide inputs on government's position with regard to negotiations given the impact of the terms of these agreements on South Africa.

In terms of the Southern African Customs Union (SACU), the Fifth Parliament had last focused on work being done at the SACU level. However, there was a need to revisit progress made in determining a new Revenue Sharing Arrangement, as set out in the SACU Strategic Plan 2022-2027.

Based on the WTO Trade Facilitation Agreement, the Committee undertook an oversight visit to Beitbridge in January 2023. It had engaged the South African Revenue Service (SARS) on its progress in implementing the commitments made under the Agreement, as well as measures it had implemented to curb illegal trade.

Furthermore, trade in services is critical to facilitate trade, especially in the context of the AfCFTA. There is, therefore, a need to revisit South Africa's trade in services agenda to ensure harmonisation across the continent to enable trade using transport and other logistics, communication and financial services, among others.

The Committee had also been monitoring the implementation of the Protection of Investment Act (Act No. 22 of 2015). Regulations on Mediation Rules have been finalised and the law was promulgated in July 2018. There is a need to monitor the effectiveness of the legislation to protect investment.

In addition, the Committee had engaged the ECIC on its role in enabling trade through the provision of credit insurance. Subsequently, the ECIC had introduced a short-term credit insurance product whereas it had previously only focused on long-term credit insurance to enable trade in capital goods. The Committee had also noted that there had been an acting Chief Executive Officer and there was a need to fill this vacancy.

Since the Fifth Parliament, ease of doing business has been a concern of the Committee. As a result, during the Fifth Parliament, the Committee had several engagements with the DTIC and CIPC on mechanisms to improve the ease of doing business, particularly on the timeframe for the registration of companies. In these engagements, the CIPC had indicated that it had reduced the timeframe to register a company to one day. This had been made possible by the CIPC's improvement in its ICT systems as well as its collaborations with stakeholders such as the SARS, the Department of Home Affairs, and certain commercial banks. This was a welcomed improvement in the ease of doing business. However, the Committee has raised concerns with other areas that can impact the ease of doing business, such as securing business and/or work permits for foreign investors, notwithstanding that this is not within the mandate of the DTIC. The DTIC had also been implementing ten reforms in collaboration with relevant government departments and entities to improve the ease of doing business in South Africa. The Committee also welcomed the progress it had made in unblocking projects over the period under review.

In terms of facilitating investment, the Committee held a meeting at the One-Stop-Shop (OSSs) in Cape Town, Western Cape, in September 2019, to see how it operated and to engage the DTIC on its investment policy and the establishment of provincial OSSs. It also held a follow-up meeting on the provincial OSSs in February 2020 and in September 2022. The intention of the OSSs was to bring together strategic national and provincial partners, with the DTIC (through InvestSA) to facilitate domestic and foreign direct investment. The DTIC noted that there had been four OSSs established at the DTIC Campus and in the Gauteng, KwaZulu-Natal, and Western Cape provinces. Three further OSS facilities had been scheduled to be launched by January 2023 in the Eastern Cape, Limpopo and Northern Cape provinces. Furthermore, the DTIC had established an OSS focused on supporting the alleviation of the energy crisis by supporting independent power producers and embedded generators. Ideally, there should be an OSS in each province. However, the DTIC indicated that due to capacity constraints at the various levels of government, as well as high staff turnover rates in certain instances, it was difficult to commit staff to all OSSs.

3.3 Economic transformation

3.3.1 Broad-based Black Economic Empowerment

The Fifth Parliament had been briefed on the new BEE Codes of Good Practice and the Amended Financial Services Sector Code. While the current Committee had not monitored this, there is a need to oversee the implementation of Industry Sector Codes to ensure that transformation within these industries is effective.

The Committee had engaged the B-BBEE Commission on its performance and its establishment. To date, the Commission had still not been adequately resourced in terms of funding and human capital, and the founding legislation was not enabling it to function optimally. In this regard, the Committee was of the view that the Commission should be established as an independent public entity. However, a policy decision is required to determine whether it should remain a trading entity under the administration of the DTIC or become an independent public entity. Pending this policy decision, the legislation should be amended to align the Commission's functions and powers with its governance structure.

The Committee also noted that the Companies Amendment Bill [B27-2023] has expanded the Companies Tribunal's jurisdiction to include matters falling under the B-BBEE legislation. Therefore, there is a need to monitor the implementation of this and determine how effective these provisions are in expediting B-BBEE matters and lowering the cost to do so.

In terms of the Black Industrialists Programme, the DTIC, the IDC and the NEF have partnered to offer financial and non-financial support to these beneficiaries. The Committee had engaged them on the Programme and had visited a few black industrialists as a part of its oversight visits to Mpumalanga and the Western Cape.

Specifically, the NEF is mandated to support the funding of black business. The Fifth Parliament had identified the need for the NEF to be recapitalised. Subsequently, the NEF has become a subsidiary of the IDC and has utilised innovative models to facilitate funding of black businesses by partnering with government departments to administer grants and other incentive programmes on their behalf. This appears to have yielded positive results given their expertise and footprint. During its oversight visits, the Committee had noted the success of the NEF's support programme to its beneficiaries and its hands-on approach to grow the management skills and facilitate the economic viability of these businesses. However, the Committee was of the view that there was a need to continue monitoring the financial sustainability of the NEF, as well as the filling of the position of its Chief Executive Officer.

3.3.2 Special Economic Zones and Industrial Parks

The Committee placed a focus on overseeing the development of the SEZs and on the implementation of the Industrial Parks Revitalisation Programme given the need to increase the creation of job opportunities and the economic growth in more rural provinces. As part of its oversight process, the Committee received briefings from the DTIC in this regard. Based on these initial engagements, the Committee had a combination of meetings with responsible provincial governments and oversight visits to certain SEZs that faced challenges, as well as the industrial parks funded by the DTIC in these provinces. Where the Committee conducted oversight visits to provinces, it also engaged businesses located within the industrial parks. In this regard, it had visited Mpumalanga and Limpopo. It had also received briefings from the Free State, Gauteng and North West governments, but due to time constraints it had been unable to physically visit these provinces.

The following SEZs and industrial parks had been engaged:

Name	Responsible Province	Status	Committee activity
Musina-Makhado SEZ	Limpopo	Northern side – Under construction	Oversight visit – January 2023 and

Name	Responsible Province	Status	Committee activity
		Southern side – planning stage	follow-up conducted – September 2023
Nkomazi SEZ	Mpumalanga	Planning and development stage	Engagement – April 2022 and follow-up conducted – October 2023
Tshwane Automotive SEZ	Gauteng	Phase 1 – operational Phase 2 – planning stage	Engagement – August 2023
OR Tambo International Airport SEZ	Gauteng	Precinct 1 – 3 buildings operational, 6 buildings almost completed, and 1 building under construction Precinct 2 – planning stage Precinct 3 – planning stage	Engagement – August 2023
Maluti-A-Phofung SEZ	Free State	Existing structures – 44 occupied and 20 vacant requiring extensive refurbishments Funding required for establishment of a Multi-purpose Centre and creation of a Smart City.	Engagement – November 2022
Seshego Industrial Park	Limpopo	Phase 1 completed – DTIC invested R31 million Phase 2 – Funding of R49,97 million had been approved including for a factory to be converted into a digital hub	Oversight visit – February 2023 and follow-up conducted – September 2023
Nkowankowa Industrial Park	Limpopo	Phase 1 completed – DTIC invested R40 million	Oversight visit – February 2023 and follow-up conducted – September 2023
Ekandustria Industrial Park	Mpumalanga	Phase 1 completed – DTIC invested R50 million Phase 2 – an additional R50 million had been applied for	Oversight visit – April 2022 and follow-up conducted – October 2023
Botshabelo Industrial Park	Free State	Phase 1 and 2 completed – DTIC invested R65 million including for top structure for a digital hub	Engagement – November 2022
Phuthaditjhaba Industrial Park	Free State	Phase 1 completed – DTIC invested R32,2 million Phase 2 application was being considered by the DTIC	Engagement – November 2022
Babelegi Industrial Park	North West	Phase 1 and Phase 2 were completed, but much	Engagement – September 2023

Name	Responsible Province	Status	Committee activity
		of the infrastructure has since been stolen or vandalised.	
Garankuwa Industrial Park	North West	Phase 1 had been included, but most of the installed infrastructure has since been stolen or vandalised.	Engagement – September 2023
Mogwase/Bodirelo Industrial Park	North West	Phase 1 and Phase 2 had been completed except for the installation of CCTV cameras, but much of the infrastructure has since been stolen or vandalised.	Engagement – September 2023

One of the challenges that the Committee identified during its engagements was the need for collaboration across the relevant levels of government, especially where an industrial park is owned by one province but located in another province. The DTIC's current approach to monitor and participate in the development of SEZs appears to be assisting provinces. In addition, effective participation by the local government can also assist in eliminating unnecessary red-tape in the planning and development phases of new SEZs. Local communities should also be able to participate and engage with the development and implementation of these economic spaces. Failure to effectively obtain buy-in from local communities has contributed to vandalism of the improvements made in certain industrial parks but also dilutes the purpose of establishing these SEZs and revitalising industrial parks.

Notably, the Tshwane Automotive SEZ was the fastest developing SEZ to be established in South Africa. This was attributed to the coordination between the DTIC, provincial and local government, as well as the role of the private sector. In terms of the Musina-Makhado SEZ, the Committee welcomed the effort to engage and involve surrounding communities in the development of the northern side of the SEZ.

3.4 Regulation

3.4.1 Consumer protection and credit regulation

In terms of credit regulation, the Fifth Parliament had drafted and processed the National Credit Amendment Act (Act No. 7 of 2019). The Act introduces debt intervention measures for low-income consumers who are unable to access debt review due to the cost and other existing debt intervention measures. It also introduced a credit life insurance cap for unsecured debt below the value of R50 000 and introduced offences and penalties for certain non-compliant conduct by creditors. The Committee in the Sixth Parliament had monitored the implementation of the Amendment Act; however, there had been no substantive progress made by the DTIC, the NCR or the NCT.

The Committee had also engaged the DTIC, the NCR and the NCT on the functioning of the existing debt review system. A number of challenges had been identified by the Fifth Parliament in terms of the functioning of the existing system that required legislative reform to assist consumers, credit providers, debt counsellors and payment distribution agencies.

Furthermore, based on engagements with the DTIC in the Fifth Parliament, there had been commitments made to continue the review of the credit policy to address aspects falling outside the scope of the 2019 Amendment Act. However, it appears that not much work has been done in this regard.

The Committee also noted that the NCR was one of the entities whose prescribed fees had remained unchanged while growth in its grant revenue had remained stagnant. This was concerning as the NCR had financial constraints and may have additional functions to perform when the Amendment Act is promulgated.

In terms of the NCC, the Committee had received a briefing on the implementation of its recommendations in terms of its investigation into the timeshare industry. It had also monitored its overall performance over the period. The Committee noted that there were critical vacancies, including the long-standing vacancy of the position of the Commissioner.

3.4.2 Company regulation

As part of the outcomes of the Judicial Commission of Inquiry into allegations of State Capture, Corruption and Fraud in the Public Sector, including Organs of State (Zondo Commission), Parliament had considered the reports and had compiled an *Implementation Plan to give effect to the Recommendations in the Report of the Judicial Commission of Inquiry into allegations of State Capture, Corruption and Fraud in the Public Sector, including Organs of State*. In this regard, the Committee had received a referral to oversee the implementation of two recommendations to be implemented by the DTIC and the CIPC. These were (i) that Section 162 of the Companies Act had to be amended to remove the two-year time limit and allow petitions/applications to have directors declared delinquent at any time, on good cause shown; and (ii) that there were broader diverse findings with respect to the conduct of a number of private entities that should be further considered by the CIPC. In terms of the first recommendation, the Committee had considered the Companies Second Amendment Bill [B26-2023] to address the time limits. This had been referred to the National Council of Provinces (NCOP) in December 2023 and has subsequently been adopted by that House on 26 March 2024. In terms of the second recommendation, the Committee received a briefing from the Minister on the CIPC's implementation of the recommendation.

Furthermore, the Committee also processed the Companies Amendment Bill [B27-2023], one of the DTIC's identified priority legislations, which had also been adopted by the NCOP subsequently. However, as a result of this process, a further review of the legislation was identified to address issues such as digital transformation; the inclusion of alternative electronic communication methods to lower the administrative burden on companies; and the incorporation of a gender pay gap measure for companies, amongst others. This Bill also introduced a new governance structure for the CT. The implementation and impact of the provisions of the two Bills, once promulgated, should be monitored.

In addition, the Minister briefed the Committee on the legislative amendments to ensure that South Africa's greylisting for non-compliance with international standards around the prevention of money laundering, terrorist financing and proliferation financing is lifted by the Financial Action Task Force, as well as the work being conducted by the DTIC and the CIPC in this regard. This contribution includes the establishment and maintenance of a beneficial ownership register by the CIPC.

3.4.3 Gambling and lotteries

One of the Committee's areas of focus in the sixth Parliament was overseeing progress made by the Special Investigating Unit (SIU) in terms of the investigation into allegations of corruption and maladministration at the NLC following the October 2020 Presidential proclamation. The Committee had three briefings with the SIU in this regard, as well as one with the National Prosecuting Authority (NPA) on the status of related cases before it. Substantive progress had been made by the SIU that had required a broadening of the scope of its investigation. However, this was subject to the approval by the President. The NPA has successfully petitioned the court to obtain a number of preservation orders as requested by the SIU. However, it was still awaiting the conclusion of investigations by the South African Police Service (SAPS) and the Directorate for Priority Crime Investigation (Hawks) before considering whether to prosecute these cases. Therefore, there was a need to continue engagements with them as well as the SAPS and Hawks. Furthermore, based on the engagements with the SIU and the NPA, the Committee was

of the view that the human capital allocated by them to investigate and prosecute the allegations of corruption and maladministration was insufficient.

The Committee had also regular engagements with the NLC on the measures it was implementing to address findings from the SIU's investigations. In addition, it focused on the redress that the NLC could offer to legitimate non-governmental organisations (NGOs) or non-profit companies (NPCs) affected by corruption and maladministration; progress made in terms of approving the fourth National Lottery licence operator; and the NLC's non-financial and financial performance. The NLC has implemented a number of measures to curb future corruption and maladministration, such as improving its vetting of applicants; monitoring and evaluating approved projects; establishing a delinquency register of beneficiaries that have defrauded or attempted to defraud the NLC; establishing a fraud hotline; and drafting a lifestyle audit policy to be implemented once approved by the board. It will also be undergoing an ICT system upgrade to enhance its operations.

In terms of the research-based funding (formally the proactive funding), the NLC board had placed a moratorium on the use of this funding type until an appropriate model, processes and monitoring and evaluation measures were developed. The NLC has reported that there will be a planned component and an emergency component (for natural and manmade disasters). The NLC had subsequently called for applications for strategic partners that could implement research-based funding projects. This funding model should be operational in the 2024/25 financial year.

In terms of the fourth National Lottery Licence, there have been eight bids received in February 2024. The process to assess these were underway. The preferred licence operator would need to be appointed prior to May 2025 when the current licence expires. The Committee had also emphasised the need for the NLC to focus on addressing audit outcomes and implementing the related action plans. This was particularly critical in terms of addressing material irregularities.

The Committee has been overseeing the performance of the NGB. A key issue has been that the NGB has been under administration since 2014, when its board had been suspended due to allegations of maladministration, wasteful expenditure and corrupt activities. Subsequently, the former Minister had indicated the intention to convert the NGB to a regulator without a board. The National Gambling Amendment Bill [B27-2018] was thus tabled to give effect to this, amongst others. While the Bill had been processed by the National Assembly in December 2018, there was a four-four vote on it at the NCOP in December 2021; thus, it rejected the Bill and referred it for mediation. However, the mediation could not take place, as the Joint Rules do not provide for a situation where the NCOP has not made any clear decision or position. In spite of this impasse, the NGB has stabilised its governance but is unable to be removed from under administration unless a policy decision is taken to retain its current governance structure (namely that it operates with a board) and a board is appointed in the absence of this legislative amendment to establish it as a regulator.

Although the Fourth and Fifth Parliament had identified a need to address gaps in the national gambling regulatory framework, the Fifth Parliament was unable to consider these substantive matters due to time constraints. It, therefore, limited the Bill to governance matters to address the impasse created by the National Gambling Policy Council not quorating, among others. There is a need for the DTIC to urgently address the legislative gaps, particularly for horseracing, bingo, online gambling and fahfee, amongst others.

3.4.4 Intellectual property

In 2020, the Committee received a briefing on the implementation of Phase 1 of the National Intellectual Property Policy (NIPP). The policy focused on patents and designs and had been approved by Cabinet in May 2018. It was important in respect of key national issues, such as Public Health. It encouraged local manufacturing of medicines, medical devices and diagnostics; provided for parallel importation to allow for imports of more affordable medicines; ensured that compulsory licence provisions were brought in line with international best practice; and provided for exceptions to patent protection for research and experimental purposes. Furthermore, it introduced a requirement for substantive search and examination of patents by the CIPC and advocated for the consideration of South Africa's accession to the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (Madrid Protocol) and the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled (Marrakesh VIP Treaty), among others.

In preparation for the policy shift towards a substantive search and examination requirement, the CIPC had been in a process to develop patent inspection capacity. However, without the requisite amendments to the Patents Act, these patent inspectors would be unable to conduct substantive examinations, which may lead to the loss of these skills. The DTIC had identified the draft Patents Amendment Bill as one of its priority legislations in its 2023/24 APP.

The Madrid Protocol would enable South African businesses to register their trademarks through the Madrid System, which allows the registration and management of trademarks worldwide. This would improve the ease of doing business and trading globally.

Furthermore, the Marrakesh VIP Treaty is important in addressing the book famine for the blind, as it would enable the translation of literature emanating within the jurisdictions of other Member States into braille. Currently, South Africa is not a Member State to this treaty.

In addition, the Committee had been concerned about the lack of IP protection for smaller inventors and their inventions. The DTIC had indicated that the intention was to develop utility models to lower the requirements regarding levels of incremental technological advancements to enable these players to also protect their inventions.

The Intellectual Property Laws Amendment Act (Act No. 28 of 2013) (IPLAA) amends the Copyright Act, the Performers' Protection Act, the Trade Marks Act and the Designs Act to protect works derived from indigenous knowledge while acknowledging and providing for some benefit sharing arrangement with the communities that own the affected indigenous knowledge. The Act has not yet been promulgated, due to overlaps with the Protection, Promotion, Development and Management of Indigenous Knowledge Systems Act (Act No. 6 of 2019) (IK Act) that needed to be addressed. The DTIC had indicated that the institutions provided for within IPLAA would not be established, as the IK Act created institutions with similar functions that would be better placed to record and manage indigenous knowledge. Therefore, only the CIPC would be required to register any IK-related intellectual property where relevant. Furthermore, the DTIC would continue to engage the Department of Science and Innovation regarding the development of the IK Act's regulations and on this mandate. The DTIC had been considering three options in terms of the implementation of IPLAA, namely:

- For the mandate to be addressed by the Department of Science and Innovation to implement IK and for the DTIC to amend other Acts such as Trade Marks Act, Designs Act to ensure IK integration in the intellectual property laws; or
- To repeal IPLAA; or
- To conduct further consultations on the implementation of IPLAA with the aim to have draft regulations by May 2024.

However, the Committee has to date not received any clear direction for the implementation or repeal of IPLAA.

3.4.5 Competition

The Committee has had several engagements with the CompCom in relation to its performance, findings and recommendations from its market inquiries and progress and/or findings from its investigations. Some of these matters included levels of economic concentration and participation, online intermediation platforms, and the alleged rand manipulation by banks. The Committee had been particularly concerned by the high levels of concentration in the economy that created barriers to entry for new players, especially previously disadvantaged individuals. In addition, the DTIC, CompCom and Competition Tribunal had been implementing the new provisions in the Competition Amendment Act (Act No. 18 of 2018).

3.5 COVID-19 Interventions

Following the initial hard lockdown in response to the COVID-19 pandemic in 2020, the Committee's oversight focused on understanding the short-term measures that the Department had implemented to curb the spread of the virus, and overseeing medium- and long-term measures to mitigate the economic impact of the virus and support economic recovery. This included overseeing the measures to support manufacturing, businesses and consumers and to curb unfair pricing; the impact of the curfew on businesses; the availability of personal protective equipment to businesses; the regulation of e-commerce; and the lifting of the ban on the trade of tobacco and alcohol. The Committee also monitored the entities' contribution to government's COVID-19 response and then to the Economic Reconstruction and Recovery Plan launched in October 2020. In addition, the Committee monitored the developments around the negotiations on the COVID-19 vaccine waiver under the World Trade Organization Agreement on Trade-related Aspects of Intellectual Property Rights.

3.6 Budget Review and Recommendations Report Requirements

The Committee has annually tabled its BRRR as required by law. While the process of developing a BRRR involves overseeing the DTIC's financial and non-financial performance over an 18-month period to inform its budgetary recommendations over the MTEF period, it was only able to consider the full period in the 2022 BRRR. Furthermore, it engaged in regular quarterly performance meetings with the DTIC, as well as a number of its entities. Entities had been identified where there had been significant findings during the audit of the Office of the Auditor-General, where there were ongoing concerns on an entity's performance or other challenges that may affect its performance, or where the entity had not been regularly engaged within a two-year period.

The table below provides a list of entities engaged per calendar year per budgetary process. While there are separate rows for the fourth quarter and annual reports, the engagements listed in the fourth quarter were prior to the audited annual reports being released and did not include an audit opinion on the financial statements or the non-financial performance information.

Budgetary Process	2019	2020	2021	2022	2023	2024
Strategic Plans/Annual Performance Plans	DTI and EDD	DTIC	DTIC, CompCom and NCR	DTIC	DTIC, CT, ITAC, ECIC, CIPC, NLC, B-BBEE Commission, NRCS, SABS	
First quarter	DTI, EDD, SABS, NRCS, NCC and ECIC	DTIC	DTIC	DTIC, NCC, NMISA, SANAS, CIPC, ITAC, SABS, NRCS, NLC, NGB, NCT,	DTIC, NLC, SABS, NRCS, NCR, NCT, CompCom, Competition Tribunal, IDC,	CompCom, NCR, NGB, NMISA, SANAS

Budgetary Process	2019	2020	2021	2022	2023	2024
				CIPC, CT and NCC	NEF, and ECIC	
Second quarter	DTI, EDD, B-BBEE Commission, NLC, IDC, NEF, CompCom, Competition Tribunal, CIPC and CT		DTIC	DTIC, NCT, CIPC, CT, NCC, NRCS	DTIC, NLC, and SABS	DTIC, CompCom, NCR, NGB, NMISA, NLC, NRCS, SABS, SANAS
Third quarter		DTI, EDD, ITAC, NLC, NMISA and SANAS	DTIC	DTIC, NCT, CIPC, CT, NCC	DTIC, and NLC,	DTIC, CompCom, NCR, NGB, NMISA, NLC, NRCS, SABS, SANAS
Fourth quarter		DTI and EDD	DTIC, NGB, NCT and NCR	DTIC, ITAC, NLC,	DTIC and NCC	
Annual reports	DTI, EDD, SABS, NRCS, NCC, ECIC, B-BBEE Commission, NLC, IDC, NEF, CompCom, Competition Tribunal, CIPC and CT	DTI, EDD	DTIC and IDC	DTIC, NCC, NMISA, SANAS, CIPC, ITAC, NLC, NGB, NRCS, and SABS	DTIC	

Historically, the DTIC's entities have had a track record of good governance and financial management. However, there had been identified challenges with respect to maintaining good governance and financial management systems within the NLC, NRCS and the SABS.

As part of the Committee's oversight over the DTIC and its entities, several factors were of a concern to it. These were as follows:

- Regular, if not annual, substantive changes have been made to the DTIC's Annual Performance Plans. This has made it very difficult to assess its progress year on year with important milestones seemingly being abandoned across years. While the Committee appreciated the shift from indicators about the number of reports written to more substantive outputs and subsequently outcomes, the constant refinement negatively impacts its ability to properly assess the DTIC's performance, hence, its ability to effectively perform its oversight function.
- While the DTIC had indicated that it would be rationalising the Department and its entities to address overlap and centralise resources, where appropriate, very little progress had been reported to the Committee in this regard and related key performance indicators have not been adequately met.

- The number of vacancies, particularly at the senior management level within the DTIC and its entities, including the position of the Director-General within the DTIC, as well as the slow pace to fill these has been a challenge throughout the term.
- There have been indications that the governance structure of certain regulatory bodies could change but progress has been slow in this regard, notably the NGB and the B-BBEE Commission.
- There appeared to be insufficient oversight over the boards of entities with evidence of corruption and maladministration emerging, notably the NLC and the former NGB boards.
- The ongoing fiscal constraints have had a negative impact on the budgets of the DTIC and its entities. However, most entities have not had any of their prescribed fees or levies adjusted for inflation over a number of years, which could have alleviated some of this financial pressure even with minor adjustments to these prescribed amounts. Entities had reported to the Committee that proposals had been submitted for the Minister's consideration and they were awaiting the outcome of that process.
- There are challenges of aging infrastructure in several entities, notably, the NMISA and SABS. Notwithstanding that NMISA had received some funding for infrastructure upgrades and SABS had also undertaken some infrastructure upgrades, more investment is required.
- ICT infrastructure was found to be a challenge for entities such as the NRCS and SABS by the end of the Fifth Parliament. Therefore, the Committee closely monitored the ICT modernisation projects at these entities. However, it has become apparent that other entities face similar challenges, including the NCR and SANAS.
- The functioning of some entities is constrained by some provisions in founding legislation. Therefore, some entities have highlighted the need to amend certain pieces of legislation to address these constraints. These entities include the NCR, the B-BBEE Commission, and the NGB, among others. There had also been slow processing of required legislative reviews such as for liquor and space legislation.

3.7 Issues for follow-up

3.7.1 Industrial development

- Monitoring the implementation of local public procurement policy.
- Monitoring the impact of the Public Procurement Bill, once promulgated, on the mandate of the DTIC.
- Ongoing monitoring and engaging with stakeholders on the implementation of the sectoral Master Plans falling within the DTIC's mandate.
- Scheduling a colloquium or stakeholder engagement on progress made in addressing challenges or removing obstacles affecting the manufacturing sector, such as high administrative prices, electricity shortages, water quality and availability, and port and transport logistics.
- Monitoring the development and implementation of plans to diversify the sugar industry and the reform of the sugar industry legislation to enable this process.
- Monitoring the implementation of the Green Hydrogen Commercialisation Strategy.
- Monitoring the implementation of the Electric Vehicle White Paper and the financial and non-financial support for the manufacturing of electric vehicles.
- Monitoring the review of the incentive programmes, as well as the implementation of incentives in various sectors and the impact thereof.
- Monitoring the implementation of the Scrap Metal Ban Regulations and the Metal Trading System, as well as the impact of these on the economy.
- Monitoring the development and implementation of amendments to the National Building Regulations and Building Standards Act (Act No. 103 of 1977).

3.7.2 Trade, investment and exports

- Overseeing the implementation of the AfCFTA and ongoing negotiations.
- Overseeing the impact of the Economic Partnership Agreement with the European Union.
- Overseeing the review of the United States' AGOA and South Africa's continued participation therein, as well as the uptake of the AGOA by domestic firms.
- Monitoring the development and implementation of provincial One-Stop Shops to facilitate foreign and local direct investment.
- Monitoring interventions aimed at improving the ease of doing business including the red tape reduction.
- Monitoring the implementation of the Protection of Investment Act (Act No. 22 of 2015).
- Engaging the DTIC and stakeholders on the impact of environmental measures to mitigate climate change being considered and/or imposed by developed countries on South Africa's trade sustainability and its trading relations.
- Engaging the DTIC on progress made in implementing the SACU Strategic Plan, particularly the review of the Revenue Sharing Arrangement.
- Engaging the DTIC and stakeholders on South Africa's trade in services agenda and the role of this in facilitating trade.

3.7.3 Economic transformation

- Monitoring the impact of B-BBEE legislation, particularly in terms of the implementation of Industry Sector Codes.
- Overseeing progress made in the development of planned and designated Special Economic Zones.
- Overseeing progress made in the implementation of the Industrial Parks Revitalisation Programme.

3.7.4 Regulation

3.7.4.1 Credit regulation

- Monitoring the implementation of the National Credit Amendment Act (Act No. 7 of 2019).
- Engaging the relevant stakeholders on the impact and challenges associated with the current debt review system on consumers, credit providers, debt counsellors and payment distribution agencies.

3.7.4.2 Company regulation

- Monitoring the implementation of the Companies Amendment Act and the Companies Second Amendment Act.

3.7.4.3 Gambling and lotteries

- Monitoring the review of the National Gambling Policy and the development of legislation on the regulation of gambling activities to address challenges identified in terms of horseracing, bingo, online gambling, greyhound racing and fahfee, amongst others.

3.7.4.4 Intellectual property

- Monitoring the progress in developing the Patents Amendment Bill and the Designs Amendment Bill, as these are essential to implement Phase 1 of the National Intellectual Property Policy.
- Monitoring the development of the additional phases for the National Intellectual Property Policy.
- Monitoring the progress in the consideration of whether South Africa should accede to the Marrakesh VIP Treaty, noting that it would come into effect three months after the instrument of accession is deposited at the World Intellectual Property Organisation (WIPO); therefore, domestic legislation should be in place prior to such approval being granted.
- Monitoring the progress in the consideration of whether South Africa should accede to the Madrid Protocol.

- Overseeing the DTIC's development of utility models to promote the protection of smaller stakeholders' inventions, as well as support offered by the DTIC and the CIPC to these inventors to register these inventions.
- Monitoring the status and integration of the Intellectual Property Laws Amendment Act (Act No. 28 of 2013) and the Protection, Promotion, Development and Management of Indigenous Knowledge Act (Act No. 6 of 2019).

3.7.5 Matters regarding the DTIC and its entities

3.7.5.1 Governance at the DTIC

- Monitoring filling of acting senior management positions at the DTIC and its entities and/or their boards.
- Requesting feedback on the consideration of rationalising the DTIC and its entities, including their financial resources.
- Monitoring the restructuring of the governance structure of regulatory bodies.
- Monitoring the oversight of entities' boards by the Ministry.
- Monitoring the necessary legislative reviews on broad-based black economic empowerment, companies, credit, gambling, liquor and space.
- Requesting a review of prescribed levies and fees for entities to enable them to increase their revenue stream to reduce their dependence given ongoing fiscal constraints.
- Monitoring the establishment of the Incentives Adjudication Review Committee.
- Monitoring the non-financial support offered to unsuccessful applicants of industrial financing to capacitate them to meet the requirements of these programmes and/or to improve their business management skills.

3.7.5.2 Technical infrastructure institutions

- National Metrology Institute of South Africa
 - Continued monitoring of the requisite building and technological upgrades.
 - Monitoring the filling of vacancies, particularly for specialised skills.
 - Monitoring how NMISA addresses challenges around implementing a career path to develop and retain the necessary skills required by the institution including succession planning and technical skills development.
 - Monitoring its capacity to meet its income generation targets given the need to balance the maintenance of the metrology system and offer measurement services and products.
 - Monitoring the disciplinary action taken against the suspended employees, particularly the Chief Financial Officer.
- National Regulator for Compulsory Specifications
 - Monitoring the filling of critical vacancies including the Chief Executive Officer's position.
 - Continued monitoring of its ICT Modernisation process.
 - Overseeing the impact of the risk-based approach implemented in terms of the processing of Letters of Authority.
 - Monitoring that unfunded mandates, such as the inspection of processed meats, are resolved.
 - Monitoring the process of estimating and collecting levy revenue.
- South African Bureau of Standards
 - Monitoring the process to stabilise and grow SABS' finances, namely the maintenance of its existing client base and attraction of new clients, as well as repackaging of products and/or services.
 - Continued monitoring of the restructuring process and the filling of critical vacancies, including the Chief Executive Officer.

- Continued monitoring of its infrastructure recapitalisation process, particularly at its Groenkloof Campus, and technological upgrades, as well as its ICT Modernisation process.
- South African National Accreditation System
 - Monitoring that the implementation of the IT system including the payment of creditors to ensure that its creditor obligations are met within the 30-day period.
 - Monitoring that the Chief Executive Officer post is filled.

3.7.5.3 Regulatory Entities

- Broad-based Black Economic Empowerment Commission
 - Monitoring the review of the legislation to either align its powers and functions with its current establishment as a trading entity or to establish it as an independent scheduled entity.
 - Monitoring the funding and expansion of the Commission's human capital resources.
- Companies and Intellectual Property Commission
 - Overseeing the implementation of the Companies Amendment Bill and the Companies Second Amendment Bill, once promulgated.
 - Overseeing the implementation of the beneficial ownership register.
 - Monitoring the regulation of collecting societies once the Copyright Amendment Bill [B13-2017] is promulgated.
- Companies Tribunal
 - Overseeing the implementation of the Companies Amendment Bill, once promulgated, especially in terms of its new mandate related to B-BBEE matters and its refined governance structure.
- Competition Commission
 - Overseeing the implementation of the Competition Amendment Act (Act No. 18 of 2018).
 - Requesting updates on ongoing investigations.
 - Monitoring the implementation of recommendations made by the CompCom in its previous market enquiries.
 - Overseeing measures being implemented to address the high levels of concentration in the economy.
- National Consumer Commission
 - Monitoring the filling of critical vacancies, particularly for senior management positions such as the Commissioner.
- National Consumer Tribunal
 - Monitoring the implementation of the National Credit Amendment Act (Act No. 7 of 2019) in terms of debt intervention and additional offences and penalties for non-compliance with the legislation.
- National Credit Regulator

- Monitoring the implementation of the National Credit Amendment Act in terms of debt intervention and additional offences and penalties for non-compliance with the legislation.
- Monitoring its financial situation, as its grant revenue and fees received has not increased over a number of years due to fiscal constraints and stagnant prescribed fees.
- National Gambling Board
 - Following-up on the policy position on the NGB becoming a regulator without a board.
 - If the NGB is intended to remain as is, monitoring that a new board and Chief Executive Officer is appointed so that the entity may come out of administration.
- National Lotteries Commission
 - Monitoring progress made in terms of the ongoing investigations by the SIU, the SAPS and the Hawks, as well as the civil and criminal prosecutions by the NPA and their recovery of misappropriated funds.
 - Monitoring disciplinary action taken against employees found to be implicated by the NLC, the SIU and other investigating agencies.
 - Monitoring the findings of the lifestyle audits for employees and board members at the NLC.
 - Following-up on redress for legitimate NGOs or NPCs that have been affected by corruption and maladministration.
 - Monitoring the filling of critical vacancies, particularly for senior management positions and distributing agencies.
 - Continued monitoring of the restructuring process.
 - Overseeing the review and implementation of the research-based funding process, as well as the lifting of the moratorium in this regard.
 - Overseeing the process to issue the licence for the next National Lottery operator.
 - Following-up on audit outcomes and the development and implementation of action plans, particularly in terms of irregular expenditure and material irregularity investigations.

3.7.5.4 Development Finance Institutions

- Export Credit Insurance Corporation of South Africa
 - Monitoring the appointment of the position of the Chief Executive Officer.
 - Monitoring the implementation and roll-out of short-term credit insurance.
- Industrial Development Corporation
 - Monitoring of debt impairments.
 - Monitoring the implementation of the Black Industrialists Programme and non-financial support provided to Black Industrialists.
- National Empowerment Fund
 - Monitoring the appointment of the position of the Chief Executive Officer.
 - Monitoring the financial sustainability of the NEF and its recapitalisation.

4. Legislation

The following pieces of legislation were referred to the Committee and processed during the Sixth Parliament:

Name of Legislation	Tagging	Description	Completed/Not Completed
2019/20			
No legislation			
2020/21			
Copyright Amendment Bill [B13B-2017]	s75	<p>The Copyright Amendment Bill intends to address and resolve issues arising from the findings of the Copyright Review Commission, which concluded their report in 2011. These issues include:</p> <ul style="list-style-type: none"> • The non-payment of royalties; • The lack of formalisation of the creative industry and the related abuse; • The incidence of piracy; and • The moral and economic rights of performers related to audio-visual fixations. <p>The Bill specifically focuses on the:</p> <ul style="list-style-type: none"> • Definition of certain words and expressions. • Allowance for the reproduction of copyright work. • Provision for the protection of copyright in artistic work • Provision for the accreditation and registration of Collecting Societies. • Provision for the procedure for settlement of royalties disputes. • Allowance for the fair use of copyright work. • Provision for access to copyright works by persons with disabilities. • Provision for the protection of authorship of orphan works by the State. • Provision for the establishment of the Intellectual Property Tribunal, the appointment of its members and its powers and functions. • Provision for prohibited conduct in respect of technological protection measures and copyright management information. • Provide for the management of digital rights. <p>Provision for certain new offences.</p>	Not Completed
Performers' Protection Amendment Bill [B24B-2016]	s75	<p>The Performers' Protection legislation aims to reward and incentivise performers in terms of their creations and works. The current legislative review aims to amend the Performers' Protection Act. It addresses issues relating to the payment of royalties to performers, safeguarding the rights of contracting parties, promotes performers moral and economic rights for performances in audio-visual fixations.</p> <p>Local performers and composers have voiced their dissatisfaction with the current legislation in that it has not offered them adequate protection. The legislative review seeks to ensure</p>	Not Completed

Name of Legislation	Tagging	Description	Completed/Not Completed
		<p>that artists do not die as paupers due to ineffective protection.</p> <p>The Performers' Protection Bill seeks to address the challenges facing the creative industry from non-payment of royalties; lack of formalisation of the creative industry which exposes it to abuse.</p>	
2021/22			
Copyright Amendment [B13B-2017]	Bill s76 (Retagged)	<ul style="list-style-type: none"> • See above 	Completed – transmitted to the NCOP
Performers' Protection Amendment [B24B-2016]	Bill s76 (Retagged)	See above	Completed – transmitted to the NCOP for concurrence
2022/23			
No legislation			
2023/24			
Companies Second Amendment [B26-2023]	Bill s75	<p>The Bill seeks to amend the Companies Act, 2008 (Act No. 71 of 2008), so as to:</p> <ul style="list-style-type: none"> • Amend the time bars, in respect of proceedings to recover any loss, damages or costs for which a person may be held liable in terms of section 77 of the Companies Act; • the time bar for the bringing of an application to declare a person delinquent or under probation in terms of section 162(2) and (3) of the Companies Act; and <p>Provide for matters connected therewith.</p>	Completed – transmitted to the NCOP for concurrence
Companies Amendment [B27-2023]	Bill s75	<p>The Bill seeks to amend the Companies Act, 2008 (Act No. 71 of 2008), so as to, inter alia:</p> <ul style="list-style-type: none"> • Amend the definition of 'securities'; • Insert new definitions; • Clarify when a Notice of Amendment of a Memorandum of Incorporation takes effect; • Differentiate where the right to gain access to companies' records may be limited; • Provide for the preparation, presentation and voting on a companies' remuneration policy and its remuneration report; • Provide for the filing of a copy of the annual financial statement; • Empower the court to validate the irregular creation, allotment or issue of shares; • Clarify how shares which are not fully paid are to be dealt with; • Exclude the subsidiary company from the requirements relating to financial assistance; • Provide for instances where a special resolution is required for acquisition of shares by the company; • Extend the definition of an employee share scheme to include situations where there are 	Completed – transmitted to the NCOP for concurrence

Name of Legislation	Tagging	Description	Completed/Not Completed
		purchases of shares of a company; <ul style="list-style-type: none"> • Provide for the circumstances under which a private company will be a regulated company; • To deal with the composition of the social and ethics committee; • Provide for the publication of the application for exemption from the requirement to appoint a social and ethics committee; • Provide for the presentation of the social and ethics committee report at the annual general meeting or shareholders meeting as the case may be; • Ensure the differentiation of duties between the chairperson of the Companies Tribunal and the Chief Operating Officer; and • Provide for matters connected therewith. 	
Performers' Protection Amendment Bill [B24F-2016]	s76	See above	Completed – submitted to the President for assent
Copyright Amendment Bill [B13F-2017]	s76	See above	Completed – submitted to the President for assent

a) Emerging Issues

The following challenges emerged during the processing of legislation:

- The Committee had approved the WIPO Copyright Treaty, the WIPO Performance and Phonograms Treaty and the Beijing Treaty on Audio Visual Performances for accession in the Fifth Parliament. However, as these agreements come into force within three months of depositing the instruments of accession, the time taken to finalise the Copyright and the Performers' Protection Amendment Bills has prevented South Africa from depositing these instruments. This had a negative impact on the stakeholders it should benefit.
- Furthermore, the Constitutional Court judgement, in terms of *Blind SA v Minister of Trade, Industry and Competition a.o. [2022] ZACC 33*, stated that Sections 6 and 7, read with section 23 of the Copyright Act, are unconstitutional, invalid and inconsistent with the rights of persons with visual and print disabilities. This declaration of unconstitutionality was suspended until 20 September 2024 to enable Parliament to remedy the defect in the Copyright Act giving rise to this unconstitutionality. The Copyright Amendment Bill seeks to address the Court's ruling. However, this is dependent on the President's assent before the deadline. In the event that the President does not assent to the Bill timeously, the Committee would need to process a Committee Bill to ensure that the matter is addressed and/or Parliament would need to request an extension from the Constitutional Court.

b) Issues for follow-up

The Seventh Parliament should consider:

- Tracking that the Copyright Amendment Bill is assented to by the President to ensure that the deadline set by the Constitutional Court is met.

- Tracking that the instruments of accession to the WIPO Copyright Treaty, the WIPO Performance and Phonograms Treaty and the Beijing Treaty on Audio Visual Performances are deposited once the Copyright Amendment and Performers' Protection Amendment Bills are assented to.

5. Oversight trips undertaken

The following oversight trips were undertaken:

Date	Area Visited	Objective	Recommendations	Responses	Status of Report
2019/20					
4-5/02/20	Gauteng: Tshwane National Regulator for Compulsory Specifications (NRCS) and the South African Bureau of Standards (SABS)	To assess their progress in terms of implementing their turnaround strategy and the resolution of their audit findings	No recommendations.		Report adopted on 19 June 2020 ATC – 23 June 2020
11/02/20	Cape Town Film Studios and the Noodle Factory,	The purpose of the Committee's visit was to see projects funded by the IDC and the NEF and to engage with the beneficiaries regarding the impact of the entities' funding, involvement and any challenges facing the beneficiaries to operate and compete effectively. The Committee identified two projects funded by the IDC and one funded by the NEF based on their proximity to each other and the type of facility. The three projects were the Cape Town Film Studios; Rise Apparel/Uniforms (Phakamile Industries), a clothing manufacturing company; and the Noodle Factory, an agro-processing company.	The Committee recommended that the House requests that the: <ul style="list-style-type: none"> Minister of Trade and Industry should consider engaging the Minister of Sports, Arts and Culture to initiate a programme to nurture the development of local content, including indigenous stories, to translate this into film and television production. 		Report adopted on 19 June 2020
2020/21					
No oversight visits					

Date	Area Visited	Objective	Recommendations	Responses	Status of Report
2021/22					
3-6/08/21	Gauteng and KwaZulu-Natal	The purpose of the Committee's visit was to assess and determine the impact of the recent unrest in KwaZulu-Natal and Gauteng, particularly its impact on affected businesses and on the overall economy. The objectives of the visits are, among others, to determine and assess the damage to enterprises; to understand the immediate needs of the affected enterprises including black owned black-owned businesses; and to identify possible interventions.	Informed by its deliberations, the Committee recommends that the House requests that the Minister of Trade, Industry and Competition should consider engaging the Minister of Finance on whether additional public funding could be sourced to assist affected businesses in the areas.		Report adopted by the Committee on 20 August 2021
2022/23					
19-22/04/22	Tshwane, Gauteng; Ekandustria SEZ and Mpumalanga	There was a dual purpose of the visit. Firstly, the Committee visited the NRCS and the SABS to follow up on progress made in implementing their turnaround strategies, as part of ongoing oversight over these two entities. In terms of the NRCS, the key focus areas were the implementation of systems and/or processes to resolve the inaccurate estimation of levy revenue; and the implementation of the Information and Communication Technology (ICT) Modernisation Project. In terms of SABS, the key focus areas were (i) the resolution of matters affecting the financial viability of the SABS, as well as the implementation of the turnaround processes and a new business model to improve its financial viability; and (ii) the management of its property at the	No recommendations		Report adopted by the Committee on 31 May 2022

Date	Area Visited	Objective	Recommendations	Responses	Status of Report
		<p>Groenkloof Campus in terms of the maintenance of its ageing infrastructure.</p> <p>Secondly, the Committee focused on industrialisation and the expansion of the manufacturing base to ensure economic development, transformation opportunities, and job creation in Mpumalanga. In this regard, it visited the Ekandustria Industrial Park in Bronkhorstspuit, Gauteng, which is owned and managed by the Mpumalanga Economic Growth Agency (MEGA). During this visit it also engaged the Mpumalanga DEDT and the DTIC on the development of the Nkomazi SEZ. Furthermore, the Committee engaged the Mpumalanga DEDT, the MEGA and the DTIC on the developments and plans for the Ekandustria Industrial Park.</p> <p>Furthermore, it visited a number of projects funded by the DTIC, the IDC, or the NEF in the Gert Sibande and the Nkangala District Municipalities in Mpumalanga. These engagements were focused on the effectiveness of industrial financing by the DTIC and its two Development Finance Institutions (DFIs).</p>			
2023/24					
31/01-04/02/23	Gauteng and Limpopo	There had been three purposes for the oversight visit. Firstly, the Committee visited Beitbridge Border Post to engage the NRCS and the	Informed by its deliberations, the Committee recommended that the House requests that the Minister of Trade, Industry and Competition		Report adopted on 3 May 2023

Date	Area Visited	Objective	Recommendations	Responses	Status of Report
		<p>SARS on matters relating to the facilitation of trade across borders, with a specific focus on the Beitbridge Border Post. The key focus areas included the facilitation of the movement, release and clearance of goods, and the removal of non-tariff barriers (NTBs) to ease the movement of goods to and from other African countries. These are critical to achieve South Africa's objective of increasing its continental exports to advance regional development and integration under the African Continental Free Trade Area (AfCFTA), and to meet its international obligations as a signatory to the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA), which aims to facilitate trade globally.</p> <p>Secondly, the Committee focused on industrialisation and the expansion of the manufacturing base to ensure economic development, transformation opportunities, and job creation in the Limpopo province. In this regard, it visited the Nkowankowa and Seshego Industrial Parks, which are owned and managed by the LEDA. These Parks had received support through the DTIC's IPRP. Furthermore, the Committee engaged on the developments and plans for these two Parks, and the progress made since the Committee's last engagement with LEDET and LEDA in September 2022. The visit included</p>	<p>should consider determining a timeframe, in consultation with the National Lotteries Commission, for ending the moratorium on proactive funding. This should also include legislative amendments (i.e. legislation or regulations) around the process in considering proactive funding.</p>		

Date	Area Visited	Objective	Recommendations	Responses	Status of Report
		<p>walkabouts to a few tenants located within the Parks to ascertain the level of support provided by LEDA and challenges facing tenants regarding infrastructure among others. In addition, the Committee had an unannounced visit to the northern site of the Musina-Makhado Special Economic Zone (MMSEZ) and engaged the LEDET on the status of the court case related to the Environmental Impact Assessment for the MMSEZ and their subsequent engagements with various relevant stakeholders in this regard.</p> <p>Thirdly, it visited the NLC and focused on progress made by the NLC in addressing the challenges facing it. The Committee also made a number of unannounced visits to past projects funded by the NLC.</p>			

6. Study tours undertaken

The following study tour was undertaken:

Date	Places Visited	Objective	Lessons Learned	Status of Report
11-14/04/2023	South Korea	<p>The main purpose of the visit was to engage them on their industrial development policies, and their use and management of SEZs to support industrial development, particularly to grow a more decentralised economy. The focus was on engaging key government departments and industry stakeholders in this regard, and to visit a few SEZs in South Korea.</p> <p>South Korea has had a similar approach to</p>	<ul style="list-style-type: none"> • The importance of the development of a government-led vocational training strategy to ensure the supply of sector-specific skills that would promote and enhance its current industrialisation drive. • The need to engage institutions of higher learning, both locally and internationally, in conjunction with the relevant Ministries, to encourage the establishment of satellite campuses and/or programmes within Special Economic Zones to support sector- 	Adopted

Date	Places Visited	Objective	Lessons Learned	Status of Report
		<p>developing its manufacturing base as South Africa by moving from import substitution to export promotion.</p> <p>The following factors were considered pertinent given South Africa's policy objectives:</p> <ul style="list-style-type: none"> • Although South Korea is not a naturally resource rich country, it focuses on exporting value-added goods, which is a policy objective of the Department of Trade, Industry and Competition (DTIC). • South Korea provides a wide range of support to exporters in this regard. • It makes use of regional global value chains to increase competitiveness. • It has a broad number of types of SEZs, with a redefinition of their SEZs to become more inclusive and supportive of domestic industries as well as encouraging greater innovation in new industries. • Legislation such as the Foreign Investment Promotion Act that helps the government with its targets of investment attraction and job creation. <p>The Committee's main objectives for the study visit were to understand the following: South Korea's industrial development and localisation policies and how this has been used to facilitate job creation, and to support and promote investment into the manufacturing sector, in particular, the use of policies to facilitate deeper industrialisation across and within sectors.</p> <ul style="list-style-type: none"> • Mechanisms to assist investors, such as One-Stop Shops; and to integrate the rural economy into the mainstream 	<p>specific skills development for each Special Economic Zone.</p> <ul style="list-style-type: none"> • The need to promote public-private partnerships in the ownership and/or management of Special Economic Zones and its enabling infrastructure, such as for water, energy and waste management. • The importance of establishing good governance structures within Special Economic Zones to prevent corrupt activities and maladministration of Special Economic Zones, and to ensure effective implementation to improve investor confidence and attract investment. • The need to establish an inter-governmental co-ordinating body, including provincial and local representatives, reporting to him/her to monitor progress in the development of Special Economic Zones and to unblock challenges as they may arise. 	

Date	Places Visited	Objective	Lessons Learned	Status of Report
		economy. <ul style="list-style-type: none"> The development of the green economy, given its growing importance in light of climate change and its impact on economies globally including South Africa. Its legislative and regulatory stance and the roles of the state versus private sector with respect to ownership.		

7. International Agreements

The following international agreements were processed and reported on:

Date referred	Name of International Agreement	Objective	Status of Report	Date of enforcement ³
2019				
22/10/19	The Economic Partnership Agreement between the Southern African Customs Union Member States and Mozambique, of the One	Under this EPA, the UK has undertaken to provide immediate duty-free, quota-free access to goods exported from the SACU member states and Mozambique, except for South Africa. In exchange, the SACU member states and Mozambique commit to gradual tariff liberalisation for goods imported from the UK. Some domestically sensitive products	Report adopted on 29 October 2019	1 January 2021

³ Entry into force of international agreement often depends on a specified number or proportion of parties ratifying and depositing their instruments of ratification. Achieving those thresholds sometimes takes long and is not under our control. What is under Government's control is the process of ratification, preparation of the Instrument of Ratification, and depositing same through formal channels.

Date referred	Name of International Agreement	Objective	Status of Report	Date of enforcement ³
	Part and the United Kingdom of Great Britain and Northern Ireland, of the Other Part	in SACUM are excluded from tariff liberalisation. The agreement also includes provisions on trade-related disciplines, dispute settlement, trade remedies, rules of origin, competition, and government procurement. It contains provisions on intellectual property and geographical indications too.		
2024				
18/01/24	World Trade Organization's Agreement on Fisheries Subsidies	<p>The WTO Agreement on Fisheries Subsidies is the first WTO agreement that focuses on environmental sustainability. It establishes a set of binding prohibitions and rules that seek to ensure that the support provided by governments to their fishing sector does not undermine the sustainability of marine resources.</p> <p>The Agreement recognizes and provides for special and differential treatment to address the needs of developing and least developed countries (albeit in the form of transitional periods).</p> <p>It also establishes a fund to provide technical assistance and capacity building to help these countries implement the obligations.</p> <p>The Agreement prohibits support for illegal, unreported and unregulated (fishing, bans support for fishing overfished stocks and subsidies for fishing on the unregulated high seas.</p>	Report adopted on 6 February 2024	N/A

a) Emerging Issues

The delayed tabling of the international agreements and accompanying documents creates a challenge for the Committee to effectively consider the contents of these agreements, especially where the Executive has a set deadline for Parliament to process these agreements for ratification or accession.

b) Issues for follow-up

The Seventh Parliament should consider:

- Notwithstanding that the mandate of negotiating and signing international agreements resides with the Executive, identifying a clear, complementary role before and during the negotiations process underscored by the constitutional principle of separation of powers.

- Overseeing the impact of the Economic Partnership Agreement with the United Kingdom of Great Britain and Northern Ireland.

8. Statutory appointments

The following appointment processes were referred to the Committee and the resultant statutory appointments were made:

Referral Date	Type of appointment	Period of appointment	Status of Report
16/11/2020	Chairperson of the National Lotteries Commission	Appointment as chairperson of the board of the National Lotteries Commission for the remaining period as prescribed by section 3(4) of the Lotteries Act.	Report adopted on 12 March 2021
22/03/2022	Chairperson of the National Lotteries Commission	As one of the recommended candidates had passed away, the report was resubmitted to the Committee for consideration.	Report adopted on 24 May 2022
24/08/2022 (Letter received from Minister requesting consultation of appointment)	Commissioner of the B-BBEE Commission	Appointment of the commissioner of the B-BBEE Commission as prescribed by section 13C(1)(b) of the B-BBEE Act.	

9. Obligations conferred on the Committee by legislation

9.1 Budget Review and Recommendation Reports (BRRR)

Date adopted	Recommendations	Response to recommendations
2019		
17/10/2019	<p>The Minister of Trade and Industry should consider:</p> <ul style="list-style-type: none"> • Engaging the Minister of Finance, to coordinate the monitoring and enforcement of local content requirements as underpinned by the Preferential Public Procurement Framework Act. • Submitting the final reports on the forensic investigations undertaken by the National Regulator for Compulsory Specifications and the South African Bureau of Standards once these are completed. • Increasing the allocation to incentive programmes to facilitate deeper industrialisation, investment, industrial decentralisation and increased job opportunities. • Increasing the government grant to the South African Bureau of Standards to facilitate small, medium and micro 	<ul style="list-style-type: none"> •

Date adopted	Recommendations	Response to recommendations
	<p>enterprises support and local content verification in the outer years of the Medium-Term Expenditure Framework.</p> <ul style="list-style-type: none"> Assisting the National Regulator for Compulsory Specifications with its procurement process to implement the Information and Communication Technology modernisation project. 	
2020		
19/11/2020	<p>The Minister of Trade and Industry should consider:</p> <ul style="list-style-type: none"> Engaging the relevant Ministers to ensure compliance and adherence with localisation, beneficiation and local content prescripts across government in line with the Economic Reconstruction and Recovery Plan of government. Fast-tracking the tabling of legislation. Expediting the necessary legislative changes to the Broad-based Black Economic Empowerment Act that would enable the listing of the Broad-based Black Economic Empowerment Commission as an independent entity. 	<ul style="list-style-type: none">
2021		
19/11/2021	<p>The Minister of Trade, Industry and Competition should consider reviewing the Broad-Based Black Economic Empowerment Act (Act No. 46 of 2013) with the intention of establishing a Broad-Based Black Economic Empowerment Tribunal with powers to rule on and sanction prohibited conduct under the legislation</p>	<ul style="list-style-type: none">
2022		
16/11/2022	<p>Minister of Trade, Industry and Competition should consider:</p> <ul style="list-style-type: none"> Developing a strategy and implementation plan to effectively utilise the current tariff concessions as contained in the African Growth and Opportunity Act as it relates the automotive sector, as well as agricultural and agro-processed goods; and submitting a progress report to the National Assembly within six months after the adoption of the report. Finalising the review of the entities' Governance Framework; 	<ul style="list-style-type: none">

Date adopted	Recommendations	Response to recommendations
	and reporting to the National Assembly on the status of the Review within six months of the adoption of the report	
2023		
25/10/2023	The Minister of Trade, Industry and Competition should consider monitoring the cost of poultry feed and ascertain whether there is any anti-competitive behaviour in the poultry feed sector.	•

10. Other matters referred by the Speaker

The following other matters were referred to the committee and the resultant report was produced:

Date of referral	Expected report date	Content of referral	Status of Report
07/05/2019		<p>The Public Protector's Report (No. 37 of 2018-19) on a systemic investigation into allegations of illegal conversion of goods-carrying Toyota Quantum panel vans into passenger-carrying minibus taxis to transport members of the public for reward.</p> <p>The Committee was required to consider whether it was satisfied with the remedial action taken by the Minister of Trade, Industry and Competition to take urgent and appropriate steps to harness and foster good, effective and efficient working relations between the National Regulator of Compulsory Specifications (NRCS) and the South African Bureau of Standards (SABS), as well as 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.</p>	Report adopted on 22 March 2022 which states that Committee was satisfied with the steps taken by the Minister and was of the view that he had complied with the remedial action as prescribed by the Public Protector.
31/01/23	Quarterly report on status of implementation as it relates to the DTIC	<p>Parliament's Implementation Plan to give effect to the Recommendations in the Report of the Judicial Commission of Inquiry into allegations of State Capture, Corruption and Fraud in the Public Sector, including Organs of State Recommendations as it relate to the DTIC:</p> <ol style="list-style-type: none"> 1. There were broader adverse findings with respect to the conduct of several private entities that should be further considered. 2. Amend the Companies Act to permit applications for a director to be declared delinquent to be brought even two years after the end of their 	Quarterly reports submitted. Still awaiting feedback regarding adverse finding regarding recommendation 1. Companies Second Amendment Bill adopted by the National Assembly to give effect to recommendation 2.

Date of referral	Expected report date	Content of referral	Status of Report
		directorship.	

11. Lessons learnt and challenges experienced

11.1 Broad institutional issues

- Unpredictable changes in the parliamentary programme negatively impacted on the Committee's work and the Committee's image in relation to professionalism. While the Committee acknowledges that changes are sometimes necessary, the frequency and short notice is a concern. This leads to meetings having to be cancelled or postponed at late notice and has a cost implication for its stakeholders.
- Parliament's time allocated for physical oversight during committee weeks is insufficient. Ideally, this should be two weeks per quarter with no interruptions in terms of House sittings and caucuses.
- Bureaucratic processes, such as seeking permission to cancel a meeting, is superfluous.
- There is no understanding or urgency to process urgent applications where the Committee was unaware of an event that it is required to attend within a day or two.
- Delays in political and financial approvals where the process was initiated within the time limits set or well in advance has a financial and reputational implication for the Committee and Parliament. This is particularly concerning for oversight visits and study visits where the Committee must confirm dates and/or attendance for meetings and events well in advance.
- Committees require a degree of certainty to be able to plan effectively; therefore, committees should adopt an annual plan/programme, which is also adopted by the National Assembly. This would require that the focus areas are stated annually upfront.
- Financial and human resources should be effectively allocated based on the strategic evaluation and classification of the nature and volume of work of different committees.
- There is a need to balance the policy requirement of procurement informed by good governance with the technical implications arising from choosing a different ICT system every five years, e.g. moving from GroupWise to Microsoft Outlook. This has led to glitches in distributing information electronically which impacts on the work of the Committee Secretariat.

11.2 Approach to overseeing entities

- Due to the number of entities within the DTIC, it is difficult to engage all entities for every budget vote and annual report cycle, as well as to monitor these quarterly. Therefore, the Committee adopted the approach of selecting a few entities that were considered critical for each of these oversight activities. However, there is a need to have a more systematic approach so that each entity is monitored fairly consistently over a five-year period. This could include creating groups of entities that are seen at a time.
- Some of the critical governance areas that have been identified include procurement and tender processes, such as for leases of premises, appointments of boards and chairpersons, and conflict of interest in terms of the distribution of funds.
- During this Parliament, the Committee had undertaken unannounced visits to the NLC. In this regard, there were challenges due to a lack of information on the projects prior to the visit, as well as access to specific addresses, particularly in the rural areas. There is, therefore, a need to have access to specific locations to plan these trips, as well as sufficient background information on the nature of the projects. Furthermore, these unannounced visits should consider tangible projects, namely where capital infrastructure and/or equipment was funded, and/or where funding enabled staff to be employed.

11.3 Membership of committees

- Members, excluding alternates, serving on multiple committees often lose track of the deliberations and decisions which impact on the Committee's ability to finalise its work, particularly in relation to legislation. The appointment of most Members to only one committee worked well in this Parliament and enabled the Committee to function efficiently.
- The lack of political institutional memory regarding committee work has been a challenge when very few previous members of a committee are reappointed and/or there are regular membership changes during the term. This impacts on Members' ability to sufficiently expand on their understanding of the subject matter and to effectively engage on ongoing matters such as a piece of legislation. This also requires more time to equip Members to effectively perform their legislative and oversight roles.

11.4 Committee documentation

- The style of the minutes should be similar to that of the National Assembly and the formatting should be standardised.
- Document distribution prior to the meeting has been a challenge, as there have been several instances where the Department and its entities have submitted their documents late. This hampers the ability of Members and support staff to effectively prepare for briefings. The norm should be that documents should be received electronically at least three days prior to the meetings.

11.5 Virtual platforms

- Once the Committee overcame its initial teething challenges using the Zoom platform, the benefits associated with this medium has been a reduction in transport and meeting logistic costs, with meetings recorded and readily available to a wider audience on Parliament's YouTube channel. In addition, there has been a reduction in the Committee's carbon footprint, as there is no need for Members, officials and other stakeholders to travel to Cape Town on a weekly basis.
- Furthermore, the virtual platform enables the Committee to have access to a wider range of stakeholders as the geographical restrictions are removed on such platforms.
- One of the key challenges of these platforms has been network accessibility, especially during loadshedding or in more rural areas.

11.6 Travel

- While the Committee supports the need to empower new service providers so as to facilitate transformation into an inclusive economy, the quality of the service being provided should be monitored and assessed. As an example, where chauffeur-driven transport is obtained, the drivers should be knowledgeable or have the necessary equipment to transport the Committee to the right destination within a reasonable time estimate. The Committee has on occasion been taken to the wrong venue in spite of providing the company with the correct details. These delays cut into the Committee's oversight programme and may increase the cost to Parliament.
- The House Chairperson should indicate whether there are budgetary caps for oversight or international study visits to avoid multiple iterations of an application having to be submitted and thus delays in processing applications and securing logistics for the visit.

11.7 Support staff

- Over the five years, the Committee's support staff has been reduced by two staff members, namely a committee secretary and an executive secretary to the Chairperson.
- These two vacancies were not filled and there has been very little communication from the Management of the Committees Section regarding the intention to fill these or to appoint acting support staff in these roles.

12. Recommendation

The Seventh Parliament should consider developing Joint Rules to guide mediation where there is no clear decision or position on a section Bill by the National Council of Provinces.