**THE NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**Question 2622**

**Dr C P Mulder (FF Plus) to ask the Minister of Trade and Industry:**

1. With reference to his reply to question 2397 on 28 August 2018, which 23 products have been designated for local production in terms of the 2017 Preferential Procurement Regulations;
2. By what date(a) does he expect his department’s guidelines for the local procurement of non-designated products to be finalized and (b) put into effect;
3. Whether he will make a statement on the matter?

Response:

1. The table below provides a list of products that have been designated for local production with minimum local content thresholds. The table also provides commencement dates in which the National Treasury circulated instruction notes which regulate the environment within which government departments and public entities may advertise, evaluate, adjudicate and procure designated products.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Designated Products** | **LC Threshold** | **Date** |
| 1.  2.  3.  4.  5.  6.  7.  8.  9.  10.  11.  12.  13.  14.  15.  16.  17.  18.  19.  20.  21.  22.  23. | Railing Stock  Power Pylons and Substation Structures  Bus Bodies  Canned/ Processed Vegetables  Textiles, Clothing, Leather & Footwear Sector  Certain Pharmaceutical Products  Set-top Boxes  Furniture Products  Electrical and Telecom Cables  Valve Products and Actuators  Working Vessels (Boats)  Residential Electricity Meters  Steel Conveyance Pipes  Transformers and Shunt Reactors (class 04)  Two Way Radio Terminals  Solar PV (components)  Rail Signaling System  Wheelie Bins  Solar Water Heaters  Fire Fighting Vehicles  Steel Products and Components for Construction  Rail Per way (Track) Infrastructure  Pumps & Medium Voltage Motors | 65%  100%  80%  80%  100%  Per tender  30%  85-100%  90%  70%  60%  90%  80-100%  10-90%  60%  15-90%  65%  100%  70%  30%  100%  90%  70% | 16-07-2012  16-07-2012  16-07-2012  16-07-2012  16-07-2012  07-12-2011  26-09-2012  15-11-2012  08-05-2013  06-02-2014  01-08-2014  01-08-2014  28-09-2015  28-09-2015  30-06-2016  30-06-2016  30-06-2016  18-08-2016  19-07-2012  21-11-2016  13-01-2017  13-11-2017  12-12-2017 |

1. Both **the dti** and National Treasury’s teams have worked together in finalising the draft guidelines the local procurement of non-designated products. The guidelines were approved by the Minister of Trade & Industry for onward transmission to the Minister of Finance in March 2018. The National Treasury, as the custodian of supply chain policy in government is vested with the powers to circulate the guidelines to the organs of state.