**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 StockPower Pylons and Substation StructuresBus BodiesCanned/ Processed VegetablesTextiles, Clothing, Leather & Footwear SectorCertain Pharmaceutical ProductsSet-top BoxesFurniture ProductsElectrical and Telecom CablesValve Products and ActuatorsWorking Vessels (Boats) Residential Electricity MetersSteel Conveyance PipesTransformers and Shunt Reactors (class 04)Two Way Radio TerminalsSolar PV (components)Rail Signaling SystemWheelie BinsSolar Water HeatersFire Fighting VehiclesSteel Products and Components for ConstructionRail Per way (Track) InfrastructurePumps & Medium Voltage Motors | 65%100%80%80%100%Per tender30%85-100%90%70%60%90%80-100%10-90%60%15-90%65%100%70%30%100%90%70% | 16-07-201216-07-201216-07-201216-07-201216-07-201207-12-201126-09-201215-11-201208-05-201306-02-201401-08-201401-08-201428-09-201528-09-201530-06-201630-06-201630-06-201618-08-201619-07-201221-11-201613-01-201713-11-201712-12-2017 |

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.